

# Clean Vehicle Assistance Program Dealership Participation Terms and Conditions

Last Updated: November 25, 2020

## Dealership Roles and Responsibilities

As a dealership participating in the Clean Vehicle Assistance Program (CVA Program), your dealership agrees to apply a CVA Program grant toward the purchase of an eligible vehicle for individuals who have been approved by the CVA Program administrator, following the terms below.

## Dealership Requirements

A dealership must fall under one or more of the following categories:

- Franchise Dealership
- Member of the Credit Union Direct Lending (CUDL)
- Independently vetted by Beneficial State Bank

*If your dealership does not fall under these categories and would like to be independently vetted by Beneficial State Bank, please contact our program at 559-271-1957 or by email at [dealerinfo@beneficialstate.org](mailto:dealerinfo@beneficialstate.org). Dealerships are vetted and added to the CVA Program Dealership Network at the CVA Program administrator's discretion. We do not guarantee all inquiries will lead to vetting.*

To be approved for the CVA Program, dealerships must follow the Dealer Instructions. Dealer Instructions are given to approved CVA Program participants, and can be found at our website: <https://cleanvehiclegrants.org/dealerships/>

Contracts will not be reviewed and payments will not be made until the dealership has provided **ALL** the required items outlined in the Dealer Instructions. Dealerships will have 10 business days after a purchase to email this information to the CVA Program administrator.

At all times, the Dealership shall maintain a valid DMV vehicle dealer's license and shall maintain a dealer's bond at or above the minimum amount required by the DMV.

## Purchase Contract Requirements

The purchase contract must be fully executed and signed and include the following information:

- The name and address of the purchaser, which must match the name and address of CVA Program approved participant.
- The correct grant amount for the customer and vehicle, which is applied to the purchase agreement as a down payment (preferably as a deferred down payment). The grant amount should be notated separately from all other down payments on the purchase contract.

- The “Truth in Lending” section of a purchase contract should be accurately completed based on the type of financing secured.
  - o If a participant is paying cash, the “Amount Financed” section should be blank.
  - o If a participant secured a loan, this section should be completed with the information provided by the lender.

### **Loan Requirements**

The CVA Program administrator will not accept any financing with an interest rate more than 12.0 percent. If this requirement is not met, the grant will NOT be paid out.

Participants have the option to finance their vehicle balance with CVA Program partners at Beneficial State Bank. Beneficial State Bank offers an interest rate of 8 percent or less for qualifying CVA Program participants, even if they would have otherwise qualified for a higher rate. Loan applicants will still need to meet underwriting standards set by Beneficial State Bank.

Participants may also obtain financing from a lender that is not Beneficial State Bank. If this is the case, the dealership must properly denote the loan terms on the purchase contract.

### **Pricing and Incentive Stacking**

In addition to the participant’s approved CVA Program grant, all other applicable discounts and incentives (such as manufacturer and dealer discounts) must be made available to participants. The dealer must provide additional discounts or incentives to the customer if negotiated by the dealer and customer.

The CVA Program grant cannot be stacked with a Clean Cars 4 All Program, which includes Replace Your Ride (South Coast), Drive Clean in the San Joaquin (Central Valley), and Clean Cars for All (BAAQMD).

### **Vehicle Eligibility**

Eligible vehicles must meet all the following requirements:

- Meet all vehicle requirements: <https://cleanvehiclegrants.org/vehicles/>.
- Be registered in California upon purchase.
- Have California’s minimum required automotive insurance.
- Be inspected by a license mechanic, and signed documentation of this inspection must be provided to the CVA Program administrator.
  - o A Vehicle Repair Order and Invoice are NOT enough to satisfy this requirement.

Failure to meet these requirements will result in the grant not being paid out.

## **Vehicle Warranties, Mechanical Issues, and Open Recalls**

- Dealerships must offer an option to purchase, if available, an extended vehicle warranty for BEV and PHEV batteries.
- Vehicles experiencing mechanical issues within seven calendar days of ownership will be reviewed against the mechanical inspection report provided at the time of purchase. If it is determined that the mechanical issue should have been identified in the inspection, the dealership must provide a fair and reasonable resolution to the participant and the CVA Program administrator.
- Vehicles with open recalls must have a solution and show proof of being fixed prior to the vehicle sale. If no solution is available from the manufacturer, then the vehicle is not eligible for this program.

## **Grant Payment**

All participating dealerships must provide Automated Clearing House (ACH) payment information to the CVA Program administrator and agree to receive grant payments by ACH.

ACH payments will be made 7 to 10 business days after participants and dealerships have met program requirements.

Participating dealerships shall not accept any collateral from the participant in lieu of the grant.

The dealership reserves the right to hold the vehicle until ACH payment is received from the CVA Program administrator.

## **Funding Availability**

If CVA Program funds are depleted or reserved, a notice will be posted on our website. Only participants with existing preapproved applications at the time that funds are depleted will be considered for grant payment. During any period in which CVA Program funds are depleted or reserved, dealerships must contact the CVA Program at 559-271-1957 to verify availability of funds prior to signing a vehicle purchase contract, and must continue to follow the processes outlined in these Terms and Conditions.

## **Code of Ethics and Non-Discriminatory Treatment**

Dealerships shall abide by all applicable consumer protection laws, including but not limited to the Automobile Sales Finance Act (Civil Code section 2981 et seq.), the Consumer Legal Remedies Act (Civil Code section 1750 et seq.), the Song-Beverly Consumer Warranty Act (Civil Code section 1790 et seq.), and the Unfair Practices Act (Business and Professions Code section 17000 et seq.).

**Termination**

**Termination without cause:** Beneficial State Foundation reserves the right to unilaterally terminate a dealer’s participation in the CVA program without cause on 30 days’ written notice.

**Termination for cause:** Upon receipt of a claim or complaint regarding the dealer’s sale of a vehicle to a participant, Beneficial State Foundation will conduct an investigation, and upon determining, in its sole discretion, that the dealer did not comply with these Terms and Conditions, may terminate the dealer’s right to participate in the CVA program immediately on written notice.

**Authorized Representative**

The dealership shall designate a person to serve as the Authorized Representative with respect to the CVA program. The Authorized Representative shall sign these Terms and Conditions on behalf of the dealership and shall be responsible for all communications between Beneficial State Foundation and the dealer. The dealership shall immediately notify Beneficial State Foundation in the event there is a change in the person serving as the Authorized Representative.

By signing below, the Authorized Representative represents and warrants that they are duly authorized to sign these Terms and Conditions on behalf of the dealership, and that the dealership accepts, agrees to, and agrees to be bound by, the Terms and Conditions stated above.

Dealership Business Name: _____
Dealership DMV License Number: _____
Dealer’s Bond Number: _____
Bond Issued by: _____
Dealership Address: _____
Dealership Authorized Representative Name: _____
Dealership Authorized Representative Title: _____
Dealership Authorized Representative Address: _____
Dealership Authorized Representative Signature: _____
Date: _____