Appendix I to the Clean Truck and Bus Voucher Incentive Project (HVIP) Implementation Manual

Demonstration Vehicles

Effective December 15, 2026

Where this appendix deviates from the Standard Implementation Manual for the Clean Truck and Bus Voucher Incentive Project (HVIP), this appendix takes precedence; otherwise, the Standard HVIP Implementation Manual takes precedence (including all affiliated forms and Terms & Conditions). The most-updated Implementation Manual (IM) can be found at **www.californiahvip.org/im**.

The intended purpose of this appendix is to allow dealers to obtain vehicles at a reduced cost to demonstrate functionality to potential purchasers, provide loaner vehicles to previous HVIP customers if their HVIP funded vehicle needs to undergo repairs, utilize as a test drive vehicle, or any combination of these operations. These vehicles are not intended to be included as part of a rental fleet.

I. Eligible Participants:

California based, approved HVIP dealers are eligible to request vouchers for demonstration vehicles (demo vouchers). Each dealer location may submit up to 10 demo voucher requests over a 12-month period. Vehicle Manufacturers acting as dealers, leasing entities, rental fleets, ISEF providers, and vehicle dealers based outside of California are not eligible to request demo vouchers.

The California based HVIP approved dealer (including California based that are also ISEF Providers) submitting the request must have the manufacturer's authority to sell the specific vehicle being requested per the Standard HVIP IM.

Voucher requests must be for a new HVIP eligible vehicle and cannot be previously registered with DMV.

II. Voucher Limitations:

Demo vouchers are only able to receive the base voucher amount. Demo vouchers are not eligible for voucher enhancements. Stacking other sources with an HVIP demo voucher is prohibited.

Each dealer location is limited to requesting 10 demo vouchers per 12-month period. If a demo vehicle is sold within 12-months of delivery, the limitation resets.

A maximum of 2 vouchers per vehicle model may be submitted in a 12-month period unless the vehicle is sold within 12 months of delivery, then the limitation will reset.

Each voucher limit is implemented as a rolling cap; if a vehicle is sold within 12 months of delivery, the count will reset.

Requests in excess of the described limitations may be submitted for review on a case-by-case basis.

III. How to Request a Demo Voucher

Request for demo vouchers will be submitted in the VPC by the requesting dealer using the following naming convention

[DEALERSHIP NAME] – [VEHICLE MANUFACTURER] – Demo Vehicle

Requests from dealerships will be prioritized and expedited.

IV. Dealer Responsibilities

Vehicles obtained with a HVIP demo voucher are intended to demonstrate functionality to potential purchasers, provide loaner vehicles to previous HVIP customers if their HVIP funded vehicle needs to undergo repairs, utilize as a test drive vehicle, or a combination of these operations.

After voucher redemption, an HVIP decal sticker will be provided to the dealer; the decal must be displayed on the vehicle while owned by the dealership.

The dealer will be required to maintain and log of use detailing the dates of use, purpose of use with the accompanying operator's name (Company name or persons name) and contact information (email address or phone number). These logs must be submitted to the project administrator quarterly, every quarter, for the three-year duration of the HVIP agreement or until the vehicle is sold, whichever is less.

The dealer is not required to remain the owner for the entire three-year duration of the HVIP voucher. However, if the dealer wishes to sell the vehicle during the first three years of ownership, additional requirements must be met. Refer to the "resale of vehicles obtained with Demo Voucher" portion of this appendix for guidance on vehicle sales.

V. Resale of vehicle obtained with Demo Voucher

The dealer is not required to remain the owner for the entire three-year duration of the HVIP voucher. However, if the dealer wishes to sell the vehicle during the first three years of ownership, the buyer must be willing to sign the HVIP Terms & Conditions.

In addition to signing the HVIP terms and conditions for the remainder of the three-year HVIP term the seller must notify CARB or the administrator within 14 days of the sale. Prior to completion of the sale, the seller must confirm the buyer has an HVIP eligible

business and will operate the vehicle in California. Failure to ensure purchaser is eligible for HVIP may result in exclusion from future demo vouchers.

The vehicle cannot be sold to an entity under common ownership or control with the dealer, another dealer, nor can it be sold back to the manufacturer.

The dealer must show that the voucher amount is passed down to the purchaser and the base price of the vehicle at time of resale cannot exceed the base price at the time the dealer initially purchased the vehicle.