mileagesmart ● ● ● ●●

a pilot High-MPG Used Car Program

- The MileageSmart program offers a 25% incentive to income eligible Vermonters for the purchase of a used car that gets <u>at least 40 MPG combined</u> gas mileage. The maximum incentive could be $5,000 on a $20,000 car.

- Applicants must participate in a car-centric financial workshop or view online video modules with embedded quizzes.

- Participants must be "Weatherization eligible", or 80% of median income. The program uses self-certification similar to EV incentive program.

- Only one vehicle per licensed driver in a household (that is not under 18 or a dependent on another person's tax return). No second cars.

- The program leverages existing relationships between car dealers and "Green" loan products at several Vermont credit unions. The maximum financing terms are 5 years at 12% APR. An appeal/waiver process is available, but requires additional participant financial disclosure.

- No private sales, participants must use DMV-registered car dealer. In most cases incentive money will be issued to the lender, and in some cases the dealer, but never the participant.

- Negative equity in a trade-in may <u>not</u> exceed the value of the incentive. The program can be used to buy-down underwater loans in order to get a consumer into a vehicle with lower operating costs.

- Soft-launch date: January 16, 2020. Web-based application process due on-line February 17, 2020. Pilot runs to June 30th.

- Regional Community Action Agencies support consumers with local financial literacy workshops and interacting with the digital application and necessary submittals.

- The program design automates the application, submittals, and as much of the communications as possible. Applicants or their aides will fill out forms online and submit data directly into Capstone's PipeDrive database. Automated responses are issued at appropriate intervals. On-demand telephone support is limited.

- Once fully operational, online Q&A will utilize a "Chat-BOT" up to the point that the nature of a question is not recognized or beyond the scope of our FAQ documentation. Additional questions are directed by email to technical staff.