

## **Freedom Fleet Voucher Program Lease Instruction Sheet:**

Leased vehicles are allowed under the Freedom Fleet Voucher Program.

Provisions:

Motor Carriers must enter into a lease agreement of three or more years with a vehicle leasing agency. A copy of the lease agreement must be provided to MEA at the time of Voucher Reimbursement Package submittal.

MEA reserves the right to review lease agreements to confirm that all appropriate disclosures are made regarding the Voucher Program. Motor Carriers must provide MEA (or its designee) all requested information related to any leased vehicle under the Voucher Program.

Liquidated Damages:

If for any reason the Motor Carrier returns the vehicle to the Leasing Agency in advance of the 3 year term the Motor Carrier must return the following amounts of money to MEA based on the prorated vehicle in-service time calculations:

$N$  = number of months remaining on lease/MEA agreement

$M$  (Monthly prorated amount) = voucher amount / 36

Amount owed to MEA =  $N * M$

Exception:

Exception: In the event the vehicle is damaged beyond repair (as determined by an authorized insurance claims adjuster) prior to the completion of the required vehicle in-service time of 36 months, the Motor Carrier will not be responsible for returning any money to MEA so long as the Motor Carrier acquires a new qualified/eligible vehicle within 30 days of the date the authorized insurance claims adjuster determines the original vehicle is damaged beyond repair and operates such vehicle in compliance with the provisions contained herein for the remaining period of time up to the 36 month in-service time requirement for the original vehicle.