

Competition Tribunal



Tribunal de la concurrence

Reference: *The Commissioner of Competition v Volkswagen Group Canada Inc and Audi Canada Inc*, 2018 Comp Trib 13
File No: CT-2018-009
Registry Document No: 6

IN THE MATTER OF a consent agreement registered by the Competition Tribunal on December 19, 2016 in file no CT-2016-017 relating to certain marketing practices of Volkswagen Group Canada Inc and Audi Canada Inc reviewable under Part VII.1 of the *Competition Act*, RSC 1985, c C-34;

AND IN THE MATTER OF an application, on consent, pursuant to subsection 74.13(b) of the *Competition Act* to vary such consent agreement.

BETWEEN:

The Commissioner of Competition
(Applicant)

and

Volkswagen Group Canada Inc and Audi Canada Inc
(Respondents)



Decided on the basis of the written record
Members: D. Gascon J. (Chairperson)
Date of Order: July 19, 2018
Order signed by: Mr. Justice D. Gascon

**ORDER ALLOWING AN APPLICATION UNDER SUBSECTION 74.13(b) OF THE
COMPETITION ACT TO VARY A CONSENT AGREEMENT**

[1] **WHEREAS** a consent agreement between the Commissioner of Competition (“**Commissioner**”) and Volkswagen Group Canada Inc and Audi Canada Inc (“**Consent Agreement**”) was filed for registration with the Tribunal on December 19, 2016 pursuant to section 74.12 of the *Competition Act*, RSC 1985, c C-34 (“**Act**”);

[2] **AND WHEREAS** the Ontario Superior Court of Justice and the Superior Court of Quebec approved certain class action settlement agreements referred to in the Consent Agreement with certain modifications after the Consent Agreement was registered with the Tribunal;

[3] **AND WHEREAS** paragraph 26 of the Consent Agreement provides for its updating following the approval of the class action settlements referenced therein;

[4] **AND WHEREAS** the parties wish to vary the Consent Agreement to reflect the final class action settlements approved by the courts, and the Commissioner has applied to vary the Consent Agreement, with the consent of the two respondents, pursuant to subsection 74.13(b) of the Act (“**Application**”);

[5] **UPON** considering the Application, the information and reasons set out therein for amending the Consent Agreement, and the terms of the proposed amended consent agreement;

[6] **AND UPON** being satisfied with the reasons and information provided;

[7] **AND UPON** noting that the variation of the Consent Agreement is on consent but is nevertheless a discretionary matter for the Tribunal;

THE TRIBUNAL ORDERS THAT:

[8] The Consent Agreement shall be varied in the form attached hereto as Schedule A.

[9] There shall be no costs on this Application.

DATED at Ottawa, this 19th day of July 2018.

SIGNED on behalf of the Tribunal by the Chairperson.

(s) Denis Gascon

COUNSEL OF RECORD:

For the applicant:

The Commissioner of Competition

Derek Leschinsky

For the respondents:

Volkswagen Group Canada Inc and Audi Canada Inc

James Musgrove

THE COMPETITION TRIBUNAL

IN THE MATTER of the *Competition Act*, R.S.C. 1985, c. C-34 as amended;

AND IN THE MATTER of an inquiry under section 10 of the *Competition Act* relating to certain marketing practices of Volkswagen Group Canada Inc. and Audi Canada Inc. reviewable under Part VII.1 of the *Competition Act*;

AND IN THE MATTER of the filing and registration of a Consent Agreement pursuant to section 74.12 of the *Competition Act*.

BETWEEN:

COMMISSIONER OF COMPETITION

Applicant

- and -

VOLKSWAGEN GROUP CANADA INC.

and AUDI CANADA INC.

Respondents

CONSENT AGREEMENT

WHEREAS the Commissioner of Competition (the "**Commissioner**") is responsible for the administration and enforcement of the *Competition Act* (the "**Act**");

AND WHEREAS the Respondent, Volkswagen Group Canada Inc. ("**Volkswagen Canada**"), is an automobile importer and distributor with its head office at 777 Bayly Street West, Ajax, Ontario, LIS 7G7;

AND WHEREAS the Respondent, Audi Canada Inc. ("**Audi Canada**"), is wholly-owned by Volkswagen Canada, with its head office at 777 Bayly Street West, Ajax, Ontario, LIS 7G7;

AND WHEREAS the Respondents promote, market and distribute Volkswagen and Audi vehicles in Canada;

AND WHEREAS the Respondents made representations to the public in Canada promoting vehicles sold or leased in Canada and equipped with 2.0 litre diesel engines as identified below (the "**Affected Vehicles**") as having clean diesel engines with reduced Emissions that were cleaner than an equivalent gasoline engine sold in Canada (the "**Environmental Marketing Claims**");

AND WHEREAS the Respondents acknowledge that there were approximately 105 000 of the Affected Vehicles which were sold or leased to members of the public in Canada;

AND WHEREAS the Respondents, on September 21, 2015, issued an order to Dealers to stop selling new and certified pre-owned Affected Vehicles in Canada;

AND WHEREAS the Commissioner commenced an investigation into the Respondents' marketing practices in Canada with respect to the Environmental Marketing Claims made in respect of the Affected Vehicles in September 2015, and commenced a formal inquiry on February 5, 2016;

AND WHEREAS the Commissioner used formal powers to obtain and review extensive Records in the possession of the Respondents in furtherance of the inquiry, in addition to obtaining evidence voluntarily provided by the Respondents, as well as from various other sources;

AND WHEREAS the Commissioner has concluded that the Respondents made the Environmental Marketing Claims about the Affected Vehicles, even though the Affected Vehicles emit, during normal use, nitrogen oxide (NOx) Emissions up to levels that well exceed the standards to which they were certified;

AND WHEREAS the Commissioner has concluded that the Affected Vehicles appeared to pass applicable emissions tests because software installed in Affected Vehicles recognized when the vehicle was being tested, and altered the operation of the vehicle during testing which had the effect of reducing the NOx Emissions during testing;

AND WHEREAS the Commissioner has concluded that, for the purpose of promoting, directly or indirectly, the sale of the Affected Vehicles in Canada, the Respondents made Environmental Marketing Claims to the Canadian public that were false or misleading in a material respect, contrary to paragraph 74.01(1)(a) of the Act;

AND WHEREAS the Commissioner has concluded that the Respondents have made representations to the Canadian public in the form of statements, warranties or guaranties of performance or efficacy of the Affected Vehicles in Canada that were not based on adequate and proper testing, contrary to paragraph 74.01(1)(b) of the Act;

AND WHEREAS the Respondents have informed the Commissioner that the Respondents have ceased to promote the Affected Vehicles based on the Environmental Marketing Claims;

AND WHEREAS in December 2015, the Respondents voluntarily established a program ("**Owner Credit Package**") offering owners and lessees of the Affected Vehicles:

- (a) With respect to Volkswagen Affected Vehicles:
 - (i) a \$500 pre-paid MasterCard card;
 - (ii) a \$500 credit for goods and services at Volkswagen Dealers; and
 - (iii) 3 years of roadside assistance; and
- (b) With respect to Audi Affected Vehicles:
 - (i) a \$500 credit for use at Audi Dealers;
 - (ii) two free service visits to Audi Dealers; and
 - (iii) 3 years of roadside assistance.

AND WHEREAS the Owner Credit Package represents a total offer value exceeding 100 million dollars, and more than 80 percent of eligible customers with Affected Vehicles have registered to receive benefits under the program;

AND WHEREAS certain class actions have been commenced in Canada with respect to the Affected Vehicles, including the two class actions listed in Appendix A;

AND WHEREAS the Respondents have reached a Class Action Settlement Agreement in the two class actions listed in Appendix A (the "Class Actions") as to claims pertaining to the Affected Vehicles and will present that Class Action Settlement Agreement to the appropriate Courts;

AND WHEREAS the Respondents have agreed, as part of the Class Action Settlement Agreement, to make the payments described in Appendix B as approved by the Class Action Settlement Approval Orders, as attached at Appendix C;

AND WHEREAS the Respondents and the Class Action Representatives have consulted the Commissioner in the resolution of the Class Actions and the Commissioner has worked with the Respondents to improve certain aspects of the Class Action Settlement Agreement which is attached in Appendix B;

AND WHEREAS the Commissioner has estimated that the total value of the settlement benefits offered in the Class Action Settlement Agreement is up to 2.1 billion dollars, including restitution payments, described as "**Damages Payments**" in the Class Action Settlement Agreement, of up to 564 million dollars, and the buyback payments to be made available to certain affected Canadian owners;

AND WHEREAS the Commissioner has taken into account the amounts to be paid to affected Canadian consumers of the Affected Vehicles in the form of buyback payments, restitution payments and the Owner Credit Package established by the Respondents;

AND WHEREAS the Commissioner and the Respondents (collectively the "**Parties**") have reached this Agreement that resolves the Commissioner's concerns with the Respondents with respect to Environmental Marketing Claims made by the Respondents in the promotion of the Affected Vehicles;

AND WHEREAS for greater certainty this Agreement only relates to the Affected Vehicles;

AND WHEREAS this Agreement does not resolve any concerns the Commissioner may have with respect to other vehicles promoted by the Respondents, and without limiting the generality of the foregoing, does not resolve the Commissioner's ongoing inquiry with respect to vehicles equipped with certain 3.0 litre diesel engines;

AND WHEREAS the Commissioner has agreed to more favourable terms in this Agreement than would otherwise be the case because of the Respondents' cooperation with the Commissioner's inquiry;

AND WHEREAS IT IS AGREED AND UNDERSTOOD that for the purposes of this Agreement only, including execution, registration, enforcement, variation or rescission, including in any proceedings under section 74.13 of the Act, the Respondents do not contest

the Commissioner's conclusions, and nothing in this Agreement will be taken as an admission or acceptance by the Respondents of any facts, liability, wrongdoing, submissions, legal argument or conclusions for any purpose, nor shall it derogate from any rights or defences of the Respondents against third parties or against the Commissioner in other proceedings, including any defences available under the Act;

AND WHEREAS IT IS AGREED AND UNDERSTOOD that the matters addressed herein relate solely to proceedings in Canada, and nothing contained herein shall be construed as any admission in these or other proceedings, including with respect to the Respondents or their Affiliates' alleged conduct outside Canada. Moreover, the Parties recognize that this matter does not relate to the enforcement of the laws of countries other than Canada, including the emission laws or regulations of such countries. Nothing in this Agreement is intended to apply to, or affect, the Respondents' or their Affiliates' obligations under the laws or regulations of any jurisdiction outside Canada. At the same time, the laws and regulations of other countries shall not affect the Respondents' obligations under this Agreement;

AND WHEREAS IT IS AGREED AND UNDERSTOOD that upon registration, pursuant to section 74.12 of the Act, this Agreement has the same force and effect as if it were an order of the Competition Tribunal (the "**Tribunal**");

NOW THEREFORE, in order to resolve the Commissioner's concerns with respect to representations made to the public in Canada regarding the Affected Vehicles, the Parties hereby agree as follows:

I. INTERPRETATION

1. For the purpose of the Agreement, the following definitions shall apply:

- i "**Act**" means the *Competition Act*, R.S.C. 1985, c. C-34, as amended;
- ii "**Affected Vehicle(s)**" means diesel vehicles equipped with a 2.0 litre diesel engine, as identified in the following table, that were sold or leased to members of the public in Canada and are within the definition of Eligible Vehicle in the Class Action Settlement Agreement:

2.0 Litre Affected Vehicles

Make	Model	Year(s)
Volkswagen	Jetta TDI	2009-2015
Volkswagen	Jetta Wagon TDI	2009
Volkswagen	Golf TDI	2010-2013, 2015
Volkswagen	Passat TDI	2012-2015
Volkswagen	Beetle TDI	2013-2015
Volkswagen	Golf Wagon TDI	2010-2014
Volkswagen	Golf Sportwagon TDI	2015
Audi	A3	2010-2013, 2015

- iii **“Affiliate(s)”** means an affiliated corporation, partnership or sole proprietorship within the meaning of subsection 2(2) of the Act;
- iv **"Agreement"** means this Consent Agreement entered into by the Respondents and the Commissioner pursuant to section 74.12 of the Act, including the Appendices hereto;
- v **"Approved Emissions Modification"** shall have the same meaning as that set out in the Class Action Settlement Agreement;
- vi **"Audi Canada"** means Audi Canada Inc., its successors and assigns, any present or future subsidiary corporation of Audi Canada Inc. within the meaning of subsection 2(3) of the Act, the successors and assigns of any subsidiary corporations, and all present or future divisions, groups and Affiliates controlled directly or indirectly by Audi Canada Inc. and their respective successors and assigns;
- vii **"Claims Period"** means the Claims Period as defined in the Class Action Settlement Agreement and approved by the Class Action Settlement Approval Orders

- viii **"Claims Program"** means the Claims Program as defined in the Class Action Settlement Agreement and approved by the Class Action Settlement Approval Orders;
- ix **"Class Actions"** means those actions listed in Appendix A;
- x **"Class Action Claims Administrator"** means the Claims Administrator as defined in the Class Action Settlement Agreement and approved by the Class Action Settlement Approval Orders;
- xi **"Class Action Plaintiffs' Counsel"** means Class Counsel as defined in the Class Action Settlement Agreement;
- xii **"Class Action Representative"** means each Settlement Class Representative as defined in the Class Action Settlement Agreement;
- xiii **"Class Action Settlement Agreement"** means the Class Action Settlement Agreement between the Respondents, the Class Action Representatives and the Related Class Action Plaintiffs, as attached under Appendix B to this Agreement as amended by the Class Action Settlement Approval Orders, as attached at Appendix C;
- xiv **"Class Action Settlement Approval Orders"** means the Approval Orders as defined in the Class Action Settlement Agreement, as attached as Appendix C;
- xv **"Class Action Settlement Effective Date"** means thirty (30) Days after the last Class Action Settlement Approval Order, unless any appeals are taken from a Class Action Settlement Approval Order, in which case it is the date upon which all appeals have been fully disposed of on the merits in a manner that affirms the subject Class Action Settlement Approval Order, or a date after the last Class Action Settlement Approval Order that is agreed to in writing by the Respondents and Class Action Plaintiffs' Counsel;
- xvi **"Class Member"** means a Settlement Class Member as defined in the Class Action Settlement Agreement and approved by the Class Action Settlement Approval Orders;
- xvii **"Commissioner"** means the Commissioner of Competition appointed pursuant to section 7 of the Act;
- xviii **"Compliance Program"** has the meaning set out in Section VII of this Agreement;

- xix **"Court"** means each of the Ontario Superior Court of Justice and/or Superior Court of Quebec, and any appellate court therefrom;
- xx **"Damages Payments"** means the Damages Payment(s) as defined and allocated in the Class Action Settlement Agreement and approved in the Class Action Settlement Approval Orders;
- xxi **"Days"** means calendar days;
- xxii **"Dealer"** means any dealers located in Canada that are authorized by the Respondents or their Affiliates to supply, sell or service Volkswagen or Audi vehicles, as evidenced by a valid dealer sales and service agreement;
- xxiii **"Effective Date"** means the date on which this Agreement is recorded by the Tribunal as having been registered, pursuant to section 74.12 of the Act;
- xxiv **"Emissions"** means nitrogen oxide (NOx), an air pollutant discharged into the air from the Affected Vehicles during normal road operation;
- xxv **"Execution Date"** means the date on which the Agreement has been signed by the Parties;
- xxvi **"Final Accounting Report"** means the Final Accounting Report as defined in the Class Action Settlement Agreement;
- xxvii **"Parties"** means the Commissioner and the Respondents collectively, and **"Party"** means any one of them separately;
- xxviii **"Product"** has the meaning provided by section 2 of the Act, which includes an article and a service;
- xxix **"Records"** means records within the meaning of subsection 2(1) of the Act;
- xxx **"Related Class Action Plaintiff"** means each Related Action Plaintiff as defined in the Class Action Settlement Agreement;
- xxxi **"Respondents"** means Volkswagen Canada and Audi Canada;
- xxxii **"Respondents' Personnel"** means the President and CEO of the Respondents, and all current and future Vice Presidents, Directors and Managers of advertising and/or marketing, and any similar positions which may be established by the Respondents during the term of the Agreement;

xxxiii "**Tribunal**" means the Competition Tribunal established by the *Competition Tribunal Act*, R.S.C. 1985, c. 19 (2nd Supp.), as amended; and

xxxiv "**Volkswagen Canada**" means Volkswagen Group Canada Inc., its successors and assigns, any present or future subsidiary corporation of Volkswagen Group Canada Inc. within the meaning of subsection 2(3) of the Act, the successors and assigns of any subsidiary corporations, and all present or future divisions, groups and Affiliates controlled directly or indirectly by Volkswagen Group Canada Inc. and their respective successors and assigns.

II. APPLICATION

2. The provisions of this Agreement apply to:
 - i. the Respondents; and
 - ii. the Commissioner.

III. TERM

3. Except as otherwise specified, this Agreement shall become effective on the date when it is registered, and, subject to any order of the Tribunal or a court, shall remain in effect for a period of ten (10) years from the Effective Date.

IV. COMPLIANCE WITH THE DECEPTIVE MARKETING PRACTICES PROVISIONS OF THE *COMPETITION ACT*

4. The Respondents shall comply with paragraph 74.01(1)(a) of the Act. Without limiting the generality of the foregoing, the Respondents shall not make, cause to be made, or permit to be made on their behalf any representation to the public with respect to the promotion of any Product that creates a materially false or misleading general impression that:
 - i the Product's Emissions are "clean" (including, without limitation, any claim that the vehicle is a clean diesel vehicle);
 - ii the Product produces lower Emissions than other vehicle models;
 - iii the Product is less polluting than other vehicle models;
 - iv the Product is "green", good for the environment, or less harmful to the environment than other vehicle models; and/or

v the Product is environmentally friendly.

5. The Respondents shall not make, cause to be made, or permit to be made on their behalf any representation to the public about the performance or efficacy of any Product that is not based on adequate and proper testing in accordance with paragraph 74.01(1)(b) of the Act. Without limiting the generality of the foregoing, the Respondents shall not make any representations that:

i the Product's Emissions are cleaner than gasoline;

ii the Product produces less sooty Emissions than diesel engines of old; and/or

iii the Product produces lower Emissions than other vehicle models,

unless based on adequate and proper testing.

6. Nothing in paragraphs 4 and 5 above derogates from the Respondents' right to advance a due diligence defence pursuant to subsection 74.1(3) of the Act in respect of paragraphs 74.01(1)(a) and 74.01(1)(b) of the Act.

V. PAYMENTS

A. ADMINISTRATIVE MONETARY PENALTY

7. The Respondent Volkswagen Canada shall pay an administrative monetary penalty in the amount of **7,500,000** dollars with respect to the Affected Vehicles.

8. The Respondent Audi Canada shall pay an administrative monetary penalty in the amount of **7,500,000** dollars with respect to the Affected Vehicles.

B. COSTS

9. The Respondents shall pay **200,000** dollars in respect of costs and disbursements incurred by the Competition Bureau during the course of its investigation into this matter with respect to the Affected Vehicles.

C. FORM OF PAYMENT

10. The payments referred to in paragraphs 7, 8 and 9 above shall be made no later than ten (10) Days from the Class Action Settlement Effective Date, by certified cheque or by wire transfer made payable to the Receiver General for Canada.

D. RESTITUTION TO CLASS MEMBERS

11. The Respondents have agreed, as part of the Class Action Settlement Agreement, to make the Damages Payments described in Appendix B and approved by the Courts in the Class Action Settlement Approval Orders, as attached at Appendix C. The Courts will have jurisdiction over the implementation and enforcement of the Class Action Settlement Agreement as set forth in their Class Action Settlement Approval Orders.

E. SALE OR LEASE OF AFFECTED VEHICLES IN CANADA

12. The Respondents shall use their best efforts, under their Dealer sales and service agreements, to not sell or lease, or cause to be sold or leased by Dealers, to members of the public in Canada any Affected Vehicles that do not have an Approved Emissions Modification (if available). For greater clarity, if any Approved Emissions Modification for any of the Affected Vehicles requires more than one stage of modification, the Respondents shall use their best efforts, under their Dealer sales and service agreements, to not sell or lease, or cause to be sold or leased by Dealers, to members of the public in Canada those Affected Vehicles before the first stage of such Approved Emissions Modification is completed.
13. In the event the Approved Emissions Modification for any of the Affected Vehicles requires more than one stage of modification, the Respondents shall offer to Canadian customers with those Affected Vehicles, to receive from a Dealer at no charge, such subsequent stage of modification that is approved.

VI. NOTICES TO CLASS MEMBERS

14. The Respondents have agreed to provide notice to Class Members in the Class Actions of their rights under the Class Action Settlement Agreement in the manner set out in the Class Action Settlement Approval Orders, as enforced by the appropriate Court.

VII. CORPORATE COMPLIANCE PROGRAM

15. Within sixty (60) Days of the Effective Date of this Agreement, the Respondents shall enhance and thereafter maintain, a Corporate Compliance Program (the "**Compliance Program**"), the goal of which is to promote the compliance of the Respondents with the Act generally and, without limiting the generality of the foregoing, the false or misleading representations and deceptive marketing practices provisions of the Act. The Compliance Program shall be consistent with the *Information Bulletin on Corporate Compliance Programs* as published (as of the Execution Date of this Agreement) on the Competition Bureau's web site at www.competitionbureau.gc.ca.
16. The Respondents shall require all Respondents' Personnel to complete an annual written acknowledgement of their awareness and comprehension of the Compliance Program as provided for in this Agreement, and the Respondents shall retain the completed acknowledgement forms throughout the term of this Agreement.

VIII. COMPLIANCE REPORTING AND MONITORING

(i) Immediate Reporting Obligations

17. The Respondents shall provide a copy of this Agreement to all current Respondents' Personnel within twenty-one (21) Days of the Effective Date of this Agreement, and to all future Respondents' Personnel within thirty (30) Days of their appointment, and in so doing the Respondents shall indicate that compliance with this Agreement is the policy of the Respondents.

(ii) Reports regarding Compliance with Restitution Commitments

18. The Respondents shall submit to the Commissioner the Final Accounting Report within five (5) Days of its production by the Class Action Claims Administrator and, if requested, copies of any interim reports regarding the Claims Program for the Class Action Settlement Agreement that are prepared by the Class Action Claims Administrator for the Respondents. After receiving the Final Accounting Report, should the Commissioner require information that is not set out in the Final Accounting Report to verify that the Respondents have made the payments to eligible Class Members described in Appendix B, the Respondents shall, to the extent reasonably available, provide such additional information as soon as practicable upon the Commissioner's request.
19. The Commissioner may, on five (5) Days' notice to the Respondents, make public the information provided pursuant to paragraph 18 of this Agreement including the total amounts actually paid to eligible Class Members by the Respondents. The Commissioner shall be responsible for protecting the confidentiality of personal information relating to Class Members.

(iii) Information Requests

20. During the term of this Agreement, the Respondents shall provide to the Commissioner within sixty (60) Days after receipt of a written request from the Commissioner or his authorized representative, all records within the control of the Respondents and written returns, as identified by, and in such form as the Commissioner may reasonably request, for the purpose of monitoring compliance with this Agreement. In the event that the Respondents are unable to comply within sixty (60) Days and the Parties are unable to agree on an alternative schedule, the Respondents may apply to the Tribunal for an order for directions.

(iv) *Notice of Fundamental Corporate Change*

21. With the exception of any proposed transaction previously notified to the Commissioner prior to the Effective Date, the Respondents shall notify the Commissioner at least thirty (30) Days prior to:
- i any proposed dissolution of either Respondent; or
 - ii any other change to Respondent including, but not limited to, a reorganization, material acquisition, disposition or transfer of assets, or any fundamental change for purposes of the Respondents' incorporating statute, if such change may negatively affect compliance obligations arising out of this Agreement.

IX. NOTICES

22. Notices, reports and other communications required or permitted by the Commissioner and the Respondents, pursuant to any of the provisions of this Agreement or in any proceedings arising before the Tribunal or the courts, shall be in writing and shall be considered to be given if dispatched by personal delivery, registered mail, email or facsimile transmission to the Parties at the following addresses:

(a) The Commissioner:

Commissioner of Competition
Competition Bureau
Place du Portage, Phase I
50 Victoria Street, 21st Floor
Gatineau, QC KIA OC9

Attention: Senior Deputy Commissioner of Competition (Cartels and Deceptive Marketing Practices Branch)

Telephone: 819-997-1208
Facsimile: 819-953-3835

With a copy to:

Executive Director and Senior General Counsel
Competition Bureau Legal Services
Department of Justice
Place du Portage, Phase 1
50 Victoria Street, 22nd Floor
Gatineau, QC KIA OC9

Telephone: 819-994-7714
Facsimile: 819-953-9267

(b) The Respondents

Volkswagen Group Canada Inc.
777 Bayly Street West
Ajax, ON L1S 7G7

Attention: Chief Financial Officer and Executive Vice President, Group
Support

Telephone: 905-428-4850
Facsimile: 905-428-5697

And

Attention: President

Telephone: 905-428-5801
Facsimile: 905-428-5697

With a copy to:

McMillan LLP
Brookfield Place, 181 Bay Street,
Suite 4400
Toronto, ON M5J 2T3

Attention: James Musgrove

Telephone: 416-307-4078

Email: james.musgrove@mcmillan.ca

or to such other individual as may be designated by notice given by any Party to the other Party in accordance with the provisions of this section.

23. A notice, consent or approval under this Agreement is effective on the day that it is received by the receiving Party. A notice, consent or approval is deemed to have been received as follows:
- i if it is delivered in person, by registered mail or by courier, upon receipt as indicated by the date on the signed receipt; or
 - ii if it is delivered by electronic mail, when the recipient acknowledges having received that email by sending a reply email. An automatic "read receipt" is not considered acknowledgement of an email for purposes of Section IX of this Agreement.

If a notice is received after 5:00 p.m. local time, or on a holiday, then the notice shall be deemed to have been received on the next day that is not a holiday.

24. Notwithstanding paragraphs 22 and 23, a notice, report, consent, approval, written confirmation or other communication that is not communicated in accordance with paragraphs 22 and 23 is valid if a representative of the Party to this Agreement, that is the recipient of such communication, confirms the receipt of such communication.

X. GENERAL

25. The Commissioner may file this Agreement with the Tribunal for registration in accordance with section 74.12 of the Act, on the day the Class Action Settlement Agreement is presented to a Court for leave to publish a pre-approval notice advising Class Members of the Class Action Settlement Agreement.

26. [Intentionally omitted].
27. Nothing in this Agreement precludes the Respondents or the Commissioner from bringing an application under section 74.13 of the Act to rescind or vary this Agreement.
28. The Respondents attorney to the jurisdiction of the Tribunal for the purposes of this Agreement and any proceeding initiated by the Commissioner relating to this Agreement for variation or rescission.
29. This Agreement shall be governed by and interpreted in accordance with all applicable provincial laws and the laws of Canada therein, without applying any otherwise applicable conflict of law rules. This Agreement shall not derogate from any consumer rights created by current or future consumer protection legislation in Canada or any relevant provincial jurisdiction.
30. In the event of a dispute regarding the interpretation, implementation or application of this Agreement, the Commissioner and/or the Respondents may apply to the Tribunal for directions or an order. In no event shall any dispute suspend any time period under this Agreement. In the event of any discrepancy between the English and French versions of this Agreement, the English version shall prevail.
31. This Agreement may be executed in two or more counterparts, each of which shall be an original instrument, but all of which shall constitute one and the same Agreement.
32. The computation of time periods contemplated by this Agreement shall be in accordance with the *Interpretation Act*, R.S.C. 1985, c. I-21. For the purpose of this Agreement, the definition of "holiday" in the *Interpretation Act* shall include Saturday.

The undersigned hereby agree to the filing of this Agreement with the Tribunal for registration.

DATED at the city of Hannover, this 15th day of December 2016.

(Original as signed)

for:

Volkswagen Group Canada Inc.

Maria Stenstroem

President

I have authority to bind the corporation.

DATED at the city of _____ this _____ day of December 2016.

(Original as signed)

for:

Audi Canada Inc.

Daniel Weissland

President

I have authority to bind the corporation.

DATED at Gatineau, in the Province of Quebec, this _____ day of December, 2016.

(Original as signed)

Commissioner of Competition

Per: John Pecman

Commissioner of Competition

The undersigned hereby agree to the filing of this Agreement with the Tribunal for registration.

DATED at the city of, this 15th day of December 2016.

(Original as signed)

for: *“Maria Stenstroem”*

Volkswagen Group Canada Inc.

Maria Stenstroem

President

I have authority to bind the corporation.

DATED at the city of, this 15th day of December 2016.

(Original as signed)

for: *“Daniel Weissland”*

Audi Canada Inc.

President

I have authority to bind the corporation.

DATED at Gatineau, in the Province of Quebec, this 19th day of December, 2016.

(Original as signed)

Commissioner of Competition

Per: John Pecman

Commissioner of Competition

Appendix "A"

Class Actions

- 1)** Ontario Superior Court of Justice Action CV-15-537029-00CP
Quenneville et al v. Volkswagen Group Canada, Inc. et al

- 2)** Superior Court of Quebec Action 500-06-000761-151
Option consommateurs and Francois Grondin v. Volkswagen Group Canada, Inc. et al

Appendix "B"

Class Action Settlement Agreement

ONTARIO SUPERIOR COURT OF JUSTICE

B E T W E E N :

MATTHEW ROBERT QUENNEVILLE, LUCIANO TAURO,
MICHAEL JOSEPH PARE, THERESE H. GADOURY,
AMY FITZGERALD, RENEE JAMES, AL-NOOR WISSANJI,
JACK MASTROMATTEI and JAY MACDONALD

Plaintiffs

- and -

VOLKSWAGEN GROUP CANADA, INC.,
VOLKSWAGEN AKTIENGESELLSCHAFT,
VOLKSWAGEN GROUP OF AMERICA, INC., AUDI CANADA, INC.,
AUDI AKTIENGESELLSCHAFT, AUDI OF AMERICA INC., and
VW CREDIT CANADA, INC.

Defendants

SUPERIOR COURT OF QUEBEC

B E T W E E N :

OPTION CONSOMMATEURS and FRANCOIS GRONDIN

Plaintiffs

- and -

VOLKSWAGEN GROUP CANADA, INC.
VOLKSWAGEN GROUP OF AMERICA, INC.
VOLKSWAGEN AKTIENGESELLSCHAFT, AUDI CANADA INC.
AUDI OF AMERICA INC. and AUDI AKTIENGESELLSCHAFT

Defendants

SETTLEMENT AGREEMENT

Dated as of December 15, 2016

TABLE OF CONTENTS

1.	INTRODUCTION	1
2.	DEFINITIONS	2
3.	APPROVAL OF THE SETTLEMENT AGREEMENT AND CERTIFICATION / AUTHORIZATION FOR SETTLEMENT PURPOSES	28
4.	CLAIMS TO BE COMPENSATED BY THE SETTLEMENT	29
5.	RELEASE AND WAIVER	48
6.	CLAIMS PROGRAM ADMINISTRATION.....	59
7.	TRUST ACCOUNT AND CLAIMS PROGRAM PAYMENTS	68
8.	ARBITRATOR	70
9.	COOPERATION TO ANNOUNCE AND IMPLEMENT THE SETTLEMENT	71
10.	NOTICE OF THE SETTLEMENT AGREEMENT	72
11.	SETTLEMENT CLASS MEMBERS' RIGHT TO OPT OUT AND OBJECT.....	76
12.	CLASS COUNSEL FEES AND PAYMENTS TO CLASS REPRESENTATIVES	80
13.	MODIFICATION OR TERMINATION OF THE SETTLEMENT AGREEMENT ...	83
14.	TERMINATION OF CLASS ACTIONS, JURISDICTION OF THE COURTS	90
15.	OTHER TERMS AND CONDITIONS.....	93

TABLE OF SCHEDULES

Schedule	Title
A	Affected 2.0-Litre Diesel Vehicles
B	Mileage Allowance
C	Excluded VINs
D	Owner Damages Payments
E	September 2015 Mileage Calculation
F	Related Consumer Class Actions by Class Counsel
G	Other Related Consumer Proceedings
H	Claims Program and Administration

TABLE OF EXHIBITS

Exhibit	Title
1	Settlement Program Summary
2	Short Form Notice
3	Long Form Notice
4	Individual Release
5	Estimated Settlement Payments

1. INTRODUCTION

This Settlement Agreement settles, on behalf of the Settlement Class in the Actions, all claims asserted by the Settlement Class related to Volkswagen- and Audi-brand vehicles for model years 2009 to 2015 with 2.0-litre turbocharged direct-injection (“**TDI**”) diesel engines, as identified in Schedule “A”, which were sold in Canada, or leased through VW Credit Canada, Inc., as of September 18, 2015.

Following a September 18, 2015 disclosure of emissions-related issues, the Actions were commenced seeking damages and other relief on behalf of consumers with affected 2.0-litre diesel vehicles. The Actions allege that the affected 2.0-litre diesel vehicles emit nitrogen oxide (“**NOx**”) emissions up to levels that exceed the standards to which the vehicles were certified because software (“**Software**”) installed in those vehicles allowed them to operate one way when recognizing driving cycles in NOx emissions laboratory testing, and in a different way when the vehicles were in on-road operation.

Following negotiations facilitated by The Honourable Mr. François Rolland, former Chief Justice of the Superior Court of Québec, the Parties agreed on the terms and conditions set forth in this Settlement Agreement.

This Settlement Agreement does not apply to anyone who is not a Settlement Class Member, including Excluded Persons and owners and lessees of Volkswagen- and Audi-brand vehicles with 3.0-litre diesel engines.

In addition, the matters addressed herein relate solely to proceedings in Canada. Nothing contained herein shall be construed as any admission in these or other

proceedings including with respect to VW's alleged conduct outside Canada. Moreover, the Parties recognize that the matters do not relate to the enforcement of the laws of countries other than Canada, including the emission laws or regulations of those countries. Nothing in this Settlement Agreement is intended to apply to, or affect, VW's obligations under the laws or regulations of any jurisdiction outside Canada. At the same time, the laws and regulations of other countries shall not affect VW's obligations under this Settlement Agreement.

2. DEFINITIONS

As used in this Settlement Agreement, including the attached schedules and exhibits, the terms defined herein have the following meanings, unless this Settlement Agreement specifically provides otherwise. Other capitalized terms used in the Settlement Agreement that are not defined in Section 2 shall have the meanings ascribed to them elsewhere in the Settlement Agreement.

- 2.1 **"2.0-Litre Diesel Matter"** means (a) the installation or presence of any Software or auxiliary emission control device in any Eligible Vehicle; (b) the design, manufacture, assembly, testing, or development of any Software or auxiliary emission control device used or for use in the Eligible Vehicles; (c) the marketing or advertisement of Eligible Vehicles as green, environmentally friendly, and / or compliant with federal, provincial or territorial emissions regulations; (d) the alleged noncompliance of Eligible Vehicles with Canadian emissions regulations; and / or (e) the subject matter of the Actions, as well as any related events or allegations, with respect to Eligible Vehicles. For the avoidance of doubt, the 2.0-Litre

Diesel Matter does not encompass 3.0-litre diesel vehicles or claims relating to those vehicles.

- 2.2 “**Actions**” means the Quenneville Action and Option consommateurs Action, collectively.
- 2.3 “**Aftermarket Modification**” means any modification of an Eligible Vehicle from its original factory specifications, including any process by which the emissions control module in an Eligible Vehicle has been chipped, tuned or otherwise modified from original factory specifications with aftermarket components and / or software.
- 2.4 “**Approval Notice**” means the English and French notice of the Approval Orders published and disseminated to Settlement Class Members, in a form to be approved by the Courts in the Actions.
- 2.5 “**Approval Order**” means a Court’s order and / or judgment approving the Settlement Agreement.
- 2.6 “**Approved Emissions Modification**” means, if available, a change to the emissions system of an Eligible Vehicle to reduce NOx emissions, which is proposed by VW, approved by appropriate regulators and implementable in Canada. An Approved Emissions Modification may only be performed by an Authorized VW Dealer or as VW may direct.
- 2.7 “**Approved Emissions Modification Extended Warranty**” means the extended emissions warranty received in connection with an Approved Emissions Modification.

- 2.8 “**Approved Emissions Modification Option**” means, as applicable, the option available under the Settlement Agreement for Eligible Claimants’ Eligible Vehicles that are Operable to receive the Approved Emissions Modification from an Authorized VW Dealer at no cost to an Eligible Claimant, except that any costs to complete the Approved Emissions Modification that are necessitated by reason of an Aftermarket Modification to the Eligible Vehicle are not included and an Eligible Claimant is responsible to pay those costs in order to complete the Approved Emissions Modification Option and receive an applicable Damages Payment.
- 2.9 “**Arbitrator**” means one or more persons appointed to serve as an arbitrator for purposes of Section 8.
- 2.10 “**Authorized VW Dealer**” means any authorized Volkswagen- or Audi-brand dealer located in Canada as evidenced by a valid dealer sales and service agreement.
- 2.11 “**Bosch Entities**” means, individually and collectively, Robert Bosch GmbH and Robert Bosch, LLC and any of their former, present and future owners, shareholders, directors, officers, employees, lawyers, affiliates, parent companies, subsidiaries, predecessors and successors.
- 2.12 “**Buyback**” means the buyback process available under this Settlement Agreement by which an Eligible Vehicle that is Operable may be sold to

VW, or as it may direct, in exchange for Vehicle Value, as set forth in Section 4.

2.13 “**Buyback With Trade-In**” means a Buyback that incorporates a trade-in of an Eligible Vehicle, as set forth in Section 4.

2.14 “**CBB**” means Canadian Black Book, Inc.

2.15 “**CBB Wholesale Category**” is the CBB condition category applicable to an Eligible Vehicle on the date that the Eligible Vehicle is surrendered for a Buyback or Buyback With Trade-In based upon the Eligible Vehicle’s mileage no more than twenty (20) days before the surrender date, subject to proof of an odometer reading reflecting such mileage being requested with a Claim for a Buyback or Buyback With Trade-In. The CBB Wholesale Category will remain applicable to the Eligible Vehicle on the date that the Eligible Vehicle is surrendered for a Buyback or Buyback With Trade-In by having a mileage on the surrender date that is within a certain range of the Eligible Vehicle’s mileage no more than twenty (20) days before the surrender date, as further detailed in Schedule “B”. The Eligible Vehicle’s mileage on the surrender date is subject to proof of an odometer reading reflecting such mileage being requested as part of the process for a Buyback or Buyback With Trade-In.

2.16 “**CBB Wholesale Value**” is the CBB wholesale value of an Eligible Vehicle as at the relevant date based upon the CBB Wholesale Category.

- 2.17 “**Claim**” means a properly completed Claim Form submitted by or on behalf of a Settlement Class Member with Proof Of Ownership and all other required supporting documentation to the Claims Administrator on or before the Claims Submission Deadline.
- 2.18 “**Claim Form**” means the document that enables a Settlement Class Member to apply for benefits pursuant to the Settlement Agreement, the content of which will be as agreed upon by VW and Lead Class Counsel and approved by the Courts in the Actions.
- 2.19 “**Claimant**” means a Settlement Class Member, or a Settlement Class Member’s estate or legal representative, who completes and submits a Claim Form.
- 2.20 “**Claims Administration Expenses**” means the reasonable costs, plus applicable taxes, incurred for the Claims Administrator to administer the Claims Program, including but not limited to the Claims Administrator’s fees, the costs to administer the Settlement Website, Claims Portal and Settlement Phone Number, and related French-English translation costs.
- 2.21 “**Claims Administrator**” means the third-party agent agreed to by the Parties and appointed by the Courts in the Actions, to administer and oversee the Claims Program. The Parties agree that RicePoint Administration Inc. shall serve as Claims Administrator, subject to approval by the Courts in the Actions.

- 2.22 **“Claims Period”** means the time period from when Claimants can begin submitting Claims through the Claims Period Deadline.
- 2.23 **“Claims Period Deadline”** means the deadline for Eligible Claimants to obtain benefits under the Settlement Agreement, which shall be the later of December 30, 2018 or eighteen (18) months from the Effective Date, except that, in the event that, by June 15, 2018, there is not an Approved Emissions Modification Option for all Eligible Vehicles, the Claims Period Deadline may be extended by VW by up to ninety (90) days without Court approval upon notice of the extension to Lead Class Counsel, or longer with either the consent of Lead Class Counsel or approval from the Courts.
- 2.24 **“Claims Portal”** means the English and French website where a Settlement Class Member can complete and submit a Claim Form online.
- 2.25 **“Claims Program”** means the program through which Settlement Class Members may file Claims and, if eligible, obtain benefits under this Settlement Agreement, as described in Section 6.
- 2.26 **“Claims Submission Deadline”** means, except in the case of certain Eligible Owners as provided in Section 2.38, the September 1, 2018 deadline by which Settlement Class Members must submit a complete and valid Claim, unless the Claims Program starts on an Effective Date that is later than April 28, 2017, in which case the Claims Submission

Deadline will be the date one hundred twenty (120) days before the Claims Period Deadline.

2.27 “**Class Counsel**” means the law firms listed as solicitors of record in the Quenneville Action, namely, Sutts, Strosberg LLP, Siskinds LLP, McKenzie Lake Lawyers LLP, Koskie Minsky LLP, Rochon Genova LLP, Roy O’Connor LLP, Camp Fiorante Matthews Mogerma, Branch MacMaster LLP, and the other law firms that support them as identified in Schedule “F”, as well as Belleau Lapointe LLP listed as solicitors of record in the Option consommateurs Action.

2.28 “**Class Update**” means the English and French versions of the notice issued by VW after the Pre-Approval Notice Date when (a) an Approved Emissions Modification becomes available in Canada for any particular Eligible Vehicles, or (b) it is determined that an Approved Emissions Modification will not become available in Canada for any particular Eligible Vehicles. In addition, Class Updates will, where applicable, provide notice to Settlement Class Members (a) that Eligible Claimants subject to a Recall may still participate in the Settlement Agreement, and (b) of the effect of Sections 4.7.4.1 and 4.7.4.2. VW will provide advance notice of Class Updates to Lead Class Counsel for review no later than forty-eight (48) hours prior to their planned issuance. A Class Update is deemed to be issued on the date that it is posted on the Settlement Website. All Class Updates must be posted on the Settlement Website. In addition, for those Settlement Class Members who are known to have an Eligible

Vehicle that is the subject of a Class Update, the Notice Administrator will send, or cause to be sent, the Class Update by e-mail to such Settlement Class Members, except that the Notice Administrator will send, or cause to be sent, the Class Update by regular mail to a Settlement Class Member if no e-mail address is known for the Settlement Class Member, or if the Settlement Class Member has specifically advised of a preference to receive information by mail. Class Updates will be e-mailed and posted to Settlement Class Members, as provided for in this Section, within ten (10) days after being posted on the Settlement Website. Notwithstanding the foregoing, the issuance of a Class Update may be satisfied by the issuance of a notice in connection with a Recall that is also posted on the Settlement Website, so long as it provides information to Settlement Class Members consistent with this Section.

2.29 “**Confidentiality Order**” means the Ontario Superior Court of Justice’s Confidentiality Order, dated June 29, 2016, in the Quenneville Action, which is binding on VW, as well as all Class Counsel either because they are counsel in the Quenneville Action or executed the acknowledgement to the Confidentiality Order.

2.30 “**Counsel Fees**” means the reasonable legal fees and disbursements of Class Counsel, plus applicable GST, HST and / or QST taxes, incurred in connection with this Settlement Agreement and prosecuting the claims in the Actions relating to 2.0-litre diesel vehicles of the Settlement Class

Members, as approved by the Courts, or on appeal therefrom, for payment to Class Counsel.

2.31 “**Court(s)**” means, with respect to the Quenneville Action, the Ontario Superior Court of Justice and, with respect to the Option consommateurs Action, the Superior Court of Québec.

2.32 “**Damages Payment(s)**” means, subject to Section 4.7.2, the following payments applicable to Eligible Claimants:

2.32.1. Owner Damages Payment in the case of Eligible Owners;

2.32.2. Non-Owner Damages Payment in the case of Eligible Purchasers of an Eligible Vehicle that was not under lease from VCCI to a third-party as of September 18, 2015;

2.32.3. Fifty percent (50%) of the Non-Owner Damages Payment in the case of Eligible Purchasers who purchased an Eligible Vehicle that was under lease from VCCI to a third-party as of September 18, 2015;

2.32.4. Non-Owner Damages Payment in the case of Eligible Lessees, except as provided in Section 2.32.5;

2.32.5. Fifty percent (50%) of the Non-Owner Damages Payment in the case of Eligible Lessees who sell their Eligible Vehicle, which, at the time of the sale, has not been modified with any stage of the Approved Emissions Modification; and

2.32.6. Non-Owner Damages Payment in the case of Eligible Sellers.

2.33 “**Early Lease Termination**” means the process by which an Eligible Lessee of a leased Eligible Vehicle terminates the lease before its conclusion and prior to the Claims Period Deadline, without any early termination penalty, and does not purchase the Eligible Vehicle pursuant to the terms of the lease. To obtain Early Lease Termination, the Eligible Lessee must pay or resolve by the Lessee Transaction Date any delinquent balance, along with any other fees, penalties or costs due, pursuant to the terms of the lease.

2.34 “**Effective Date**” means thirty (30) days after the Settlement Approval Date, unless any appeals are taken from an Approval Order, in which case it is the date upon which all appeals have been fully disposed of on the merits in a manner that affirms the subject Approval Order, or a date after the Settlement Approval Date that is agreed to in writing by VW and Class Counsel.

2.35 “**Eligibility Checker**” means the set of information available on the Settlement Website to assist potential Settlement Class Members in identifying whether they may be an Eligible Lessee, Eligible Owner, Eligible Purchaser or Eligible Seller.

2.36 “**Eligible Claimant**” means a Claimant who has been determined by the Claims Administrator to be eligible to receive benefits under the Settlement Agreement by the Claims Period Deadline.

2.37 “**Eligible Lessee**” means the lessee or lessees of an Eligible Vehicle on September 18, 2015 with a lease issued by VCCI, including Eligible Lessees who purchase the Eligible Vehicle at the conclusion of their lease pursuant to the lease terms. For avoidance of doubt, no person will be considered an Eligible Lessee by virtue of holding a lease issued by a lessor other than VCCI.

2.38 “**Eligible Owner**” means the owner or owners of an Eligible Vehicle on September 18, 2015 and continuing through either the Owner Transaction Date or the transfer of title of the Eligible Vehicle to an insurance company because the Eligible Vehicle was totalled or appraised as a total loss, where the transfer of title occurs on a date sixty (60) or more days after the Pre-Approval Notice Date. An owner of an Eligible Vehicle will not qualify as an Eligible Owner while the Eligible Vehicle is under lease to any third-party, although any such owner, including any leasing company other than VCCI, that otherwise meets the definition of an Eligible Owner would become an Eligible Owner if such lease has been canceled or terminated and such owner has taken possession of the Eligible Vehicle. In exceptional cases, a leasing company other than VCCI may, prior to the Claims Submission Deadline, make specific arrangements with VW, in consultation with the Claims Administrator, such that (a) without canceling or terminating the lease, the leasing company may be treated as an Eligible Owner and obtain the Approved Emissions Modification Option and Owner Damages Payment during the Claims Period, and (b) a lessor that takes possession of a leased Eligible Vehicle after the Claims

Submission Deadline (or after the Claims Period Deadline) may nonetheless be entitled to submit a Claim.

- 2.39 “**Eligible Purchaser**” means the owner or owners of an Eligible Vehicle who purchased the Eligible Vehicle after September 18, 2015, but before the Claims Submission Deadline, and who continues to own the Eligible Vehicle as at the Purchaser Transaction Date. Eligible Purchasers include owners of an Eligible Vehicle that had an active lease issued by VCCI to a third-party as of September 18, 2015, if they otherwise meet the definition of an Eligible Purchaser, but does not include Eligible Lessees who acquired ownership of their leased Eligible Vehicle at the conclusion of the lease pursuant to the lease terms.
- 2.40 “**Eligible Seller**” means the owner or owners of an Eligible Vehicle on September 18, 2015, who sells their Eligible Vehicle after September 18, 2015, but before the Pre-Approval Notice Date. For avoidance of doubt, Eligible Seller includes an owner of an Eligible Vehicle on September 18, 2015 whose Eligible Vehicle was totalled or appraised as a total loss and who consequently transferred title of the Eligible Vehicle to an insurance company after September 18, 2015, but before Pre-Approval Notice Date.
- 2.41 “**Eligible Vehicle**” means a Volkswagen- or Audi-brand vehicle equipped with a 2.0-litre diesel engine that (a) is of a model type and model year listed in Schedule “A”; (b) was originally either sold, or leased from VCCI, in Canada; (c) at any point during the period from September 18, 2015 through the Pre-Approval Notice Date, was registered in Canada with a

provincial ministry of transportation or an equivalent agency, or owned by an Authorized VW Dealer or Non-VW Dealer that holds title to the vehicle or holds the vehicle by bill of sale, but excluding any of the vehicles with a VIN listed in Schedule "C"; and (d) has not been modified pursuant to the Approved Emissions Modification, including any stage thereof, during a period when VW, an Authorized VW Dealer or VCCI holds title to the vehicle, holds the vehicle by bill of sale or otherwise owns the vehicle, except if the vehicle is under lease from VCCI at the time that it is so modified. For avoidance of doubt, Eligible Vehicles do not include vehicles for which a Buyback, a Buyback With Trade-In, an Early Lease Termination or a Surrender For Inoperability has already been completed by an Eligible Claimant. In addition:

- 2.41.1. For Eligible Owners, Eligible Vehicles are those that, as provided by Section 2.68, are Operable or Inoperable on the Owner Transaction Date, except as provided in Section 4.2.7;
- 2.41.2. For Eligible Purchasers, Eligible Vehicles are those that, as provided by Section 2.74, are Operable or Inoperable on the Purchaser Transaction Date; and
- 2.41.3. For Eligible Lessees who purchase their leased Eligible Vehicle at the conclusion of the lease pursuant to the terms of the lease, Eligible Vehicles are those that, as provided by Section 2.50, are Operable or Inoperable on the Lessee Transaction Date, except for those who sell their Eligible Vehicle.

2.42 **“Excluded Persons”** means the following entities and individuals:

- 2.42.1. Owners of an Eligible Vehicle on September 18, 2015 who sell their Eligible Vehicle after Pre-Approval Notice Date other than through Buyback or Buyback With Trade-In, except for those owners who, on a date sixty (60) or more days after the Pre-Approval Notice Date, transfer title of their Eligible Vehicle to an insurance company because their Eligible Vehicle was totalled or appraised as a total loss;
- 2.42.2. Owners of an Eligible Vehicle on September 18, 2015 who, on a date between the Pre-Approval Notice Date and the period of fifty-nine (59) days immediately following the Pre-Approval Notice Date, inclusive of those dates, transfer title of their Eligible Vehicle to an insurance company because their Eligible Vehicle was totalled or appraised as a total loss;
- 2.42.3. Owners of a Totalled Vehicle, including insurance companies;
- 2.42.4. Lessees of an Eligible Vehicle leased from a leasing company other than VCCI;
- 2.42.5. Owners of an Eligible Vehicle on the Pre-Approval Notice Date whose Eligible Vehicle cannot be driven under the power of its own 2.0-litre diesel engine on the Pre-Approval Notice Date;

- 2.42.6. Owners of an Eligible Vehicle with a branded title of “Dismantled”, “Junk”, “Salvage” or “Mechanically Unfit” on September 18, 2015;
 - 2.42.7. Owners of an Eligible Vehicle that was acquired from a junkyard or salvage yard on or after September 18, 2015;
 - 2.42.8. VW’s officers, directors and employees and participants in the Internal Lease Program; VW’s affiliates and those affiliates’ officers, directors and employees; and Authorized VW Dealers and those dealers’ officers and directors;
 - 2.42.9. Presiding judges and Class Counsel; and
 - 2.42.10. All those otherwise in the Settlement Class that timely and properly opt out of the Settlement Class.
- 2.43 **“Fair Market Value”** means an Eligible Vehicle’s CBB Wholesale Value, as regionally adjusted by CBB, no more than twenty (20) days before the date on which the Eligible Vehicle is surrendered for a Buyback With Trade-In.
- 2.44 **“Filing Fee”** means the \$150.00 filing fee that is payable by an Eligible Claimant upon submission of a notice of appeal to the Claims Administrator, as described in Section 6.7.
- 2.45 **“Final Accounting Report”** means the written report produced by the Claims Administrator as soon as practicable after payments to all Eligible

Claimants are made, which will identify all monies paid out under the Claim Program.

- 2.46 “**Individual Release**” means the individual release described in Section 5.7.
- 2.47 “**Inoperable**” means an Eligible Vehicle that ceases to be Operable on a date sixty (60) or more days after the Pre-Approval Notice Date.
- 2.48 “**Internal Lease Program**” means the program through which employees and retirees of VW may lease vehicles from Volkswagen Group Canada Inc. for themselves and certain members of their families. For purposes of this Settlement Agreement, participants in the Internal Lease Program shall include anyone in whose name a vehicle is leased under the program.
- 2.49 “**Lead Class Counsel**” means the law firms of Sutts, Strosberg LLP, Siskinds LLP and Belleau Lapointe LLP, or as they may otherwise designate in writing.
- 2.50 “**Lessee Transaction Date**” means, as applicable, (a) the date on which an Eligible Lessee effects Early Lease Termination; (b) in the case of an Eligible Vehicle that is Operable, the date on which an Eligible Lessee receives the Approved Emissions Modification Option; (c) subject to Section 4.7.2, the last day of the lease where no Approved Emissions Modification Option is available for an Eligible Lessee’s Eligible Vehicle during the term of the lease, if ending before the Claims Submission

Deadline, and the Eligible Lessee has not purchased the leased Eligible Vehicle at the conclusion of the lease pursuant to the terms of the lease; (d) in the case of an Eligible Vehicle that is Inoperable, the date of the Surrender For Inoperability; or (e) in the case of an Eligible Vehicle that is Operable, and if there is no Approved Emissions Modification Option for an Eligible Lessee's Eligible Vehicle by June 15, 2018, the date on which the Buyback or Buyback With Trade-In is completed by an Eligible Lessee who purchased the leased Eligible Vehicle at the conclusion of the lease, but before the Claims Submission Deadline, pursuant to the terms of the lease.

2.51 **“Loan Forgiveness”** means that if there is no Approved Emissions Modification Option for an Eligible Owner's Eligible Vehicle by June 15, 2017, and the Eligible Owner has a Loan Obligation that exceeds the sum of the Vehicle Value and Owner Damages Payment, the Eligible Owner will qualify for a payment up to thirty percent (30%) of the sum of the Vehicle Value and Owner Damages Payment only payable to a lender towards satisfaction of the portion of the Loan Obligation exceeding the sum of the Vehicle Value and Owner Damages Payment, except that Loan Forgiveness is not available for satisfaction of any portion of the Loan Obligation that becomes delinquent after the Pre-Approval Notice Date, including any related costs and fees, or of any portion of the Loan Obligation, including new loans, incurred after the Pre-Approval Notice Date. For avoidance of doubt, if a Class Update is issued on or before June 15, 2017 identifying that there is an Approved Emissions

Modification for the Eligible Vehicle of an Eligible Owner, Loan Forgiveness will not be available to the Eligible Owner. Loan Forgiveness is also not available for a Surrender For Inoperability.

- 2.52 “**Loan Obligation**” means any debt incurred by an owner that is outstanding at the Owner Transaction Date, Purchaser Transaction Date or Lessee Transaction Date, as the case may be, and secured by the owner’s Eligible Vehicle, whether through VCCI or any other lender.
- 2.53 “**National Settlement Class**” means all Settlement Class Members who are not in the Québec Settlement Class.
- 2.54 “**Non-Owner Damages Payment**” means a payment for fifty percent (50%) of the Owner Damages Payment that would apply to an Eligible Vehicle based on its brand and model year if the Eligible Vehicle were owned by an Eligible Owner.
- 2.55 “**Non-VW Dealer**” means any automobile dealer or seller in business as of the Pre-Approval Notice Date that is located in Canada other than an Authorized VW Dealer.
- 2.56 “**Notice Administrator**” means the third-party agent or administrator agreed to by the Parties and appointed by the Courts in the Actions to implement and consult on Settlement Class Notices. The Parties agree that RicePoint Administration Inc. shall serve as Notice Administrator, subject to approval by the Courts in the Actions.

- 2.57 “**Notice Expenses**” includes all reasonable costs and expenses, plus applicable taxes, incurred to implement the Notice Program.
- 2.58 “**Notice Program**” means a reasonable notice program for distributing the Settlement Class Notices that reflects the availability of direct notice to certain Settlement Class Members.
- 2.59 “**Objection Deadline**” means the deadline by which a Settlement Class Member’s objection to the Settlement Agreement must be received by the Opt-Out / Objection Administrator in order to be timely and valid. The Objection Deadline shall be the same date as the Opt-Out Deadline.
- 2.60 “**Operable**” means a vehicle that can be driven under the power of its own 2.0-litre diesel engine. A vehicle cannot be considered Operable if it had a branded title of “Dismantled”, “Junk”, “Salvage” or “Mechanically Unfit” on September 18, 2015, or was acquired from a junkyard or salvage yard on or after September 18, 2015.
- 2.61 “**Operating Account**” means the account established, funded and managed by VW that will be used as the funding source for compensating Eligible Claimants in accordance with the provisions of the Settlement Agreement and for payment of expenses related to the implementation of the Settlement Agreement, including the expenses under Section 13.7.
- 2.62 “**Opt-Out Deadline**” means the last day that a Settlement Class Member may opt out of the Settlement Class, which date will be fifty-nine (59) days

after the Pre-Approval Notice Date. The Opt-Out Deadline shall be the same date as the Objection Deadline.

- 2.63 “**Opt-Out / Objection Administrator**” means a third-party agreed to by the Parties and appointed by the Courts to receive and report on opt-outs and objections as set forth in Section 11. The Parties agree that RicePoint Administration Inc. shall serve as the Opt-Out / Objection Administrator, subject to approval by the Courts in the Actions.
- 2.64 “**Opt-Out / Objection Expenses**” means the reasonable costs, plus applicable taxes, incurred for the Opt-Out / Objection Administrator to administer Settlement Class Members’ opt-outs from the Settlement Class and objections to the Settlement Agreement.
- 2.65 “**Option consommateurs Action**” means the action titled *Option consommateurs & Francois Grondin v. Volkswagen Group Canada Inc. et al.* with Court File No. 500-06-000761-151 (Montréal, Québec).
- 2.66 “**Original In Service Date**” means the earliest date as identified by an Authorized VW Dealer that an Eligible Vehicle was originally leased or sold to a retail customer.
- 2.67 “**Owner Damages Payment**” means the amount payable to an Eligible Owner based on the brand and model year of the Eligible Owner’s Eligible Vehicle as set out in Schedule “D”.
- 2.68 “**Owner Transaction Date**” means the date, as applicable, on which an Eligible Owner of an Eligible Vehicle (a) in the case of an Eligible Vehicle

that is Operable, completes the Buyback or Buyback With Trade-In; (b) in the case of an Eligible Vehicle that is Operable, receives the Approved Emissions Modification Option; or (c) in the case of an Eligible Vehicle that is Inoperable, completes the Surrender For Inoperability.

2.69 “**Parties**” means VW, the Settlement Class Representatives and the Related Action Plaintiffs, collectively.

2.70 “**Pre-Approval Notice**” means the English and French versions of the summary and long-form notices described in Section 10.2 and substantially in the forms attached hereto as Exhibits “2” and “3”, respectively.

2.71 “**Pre-Approval Notice Date**” means the date on which the Pre-Approval Notice in summary form is first published in a national newspaper in Canada in accordance with Section 10.2.

2.72 “**Pre-Approval Orders**” means a Court’s order certifying / authorizing the Settlement Class for settlement purposes only and approving the Pre-Approval Notice and Notice Program.

2.73 “**Proof Of Ownership**” means, except as otherwise provided by the Claims Administrator, (a) in the case of an owner of an Eligible Vehicle, a copy of the vehicle’s registration certificate or bill of sale, and (b) in the case of an Eligible Vehicle leased from VCCI, a copy of the lease agreement with VCCI relating to the vehicle.

- 2.74 “**Purchaser Transaction Date**” means, as applicable, the date on which an Eligible Purchaser of an Eligible Vehicle (a) in the case of an Eligible Vehicle that is Operable, receives the Approved Emissions Modification Option; (b) in the case of an Eligible Vehicle that is Inoperable, completes a Surrender For Inoperability; or (c) in the case of an Eligible Vehicle that is Operable, and if there is no Approved Emissions Modification Option for the Eligible Vehicle by June 15, 2018, the date on which the Eligible Purchaser completes the Buyback or Buyback With Trade-In.
- 2.75 “**Québec Settlement Class**” means all Settlement Class Members whose Eligible Vehicles are identified based on reasonably available information as having been registered in Québec on September 18, 2015.
- 2.76 “**Quenneville Action**” means the action titled *Matthew Robert Quenneville et al. v. Volkswagen Group Canada, Inc. et al.* with Court File No. CV-15-537029-00CP (Toronto, Ontario).
- 2.77 “**Recall**” means a recall campaign by VW for implementing an Approved Emissions Modification pursuant to a notice of defect under the *Canadian Environmental Protection Act, 1999*. A Recall entitles owners and lessees of vehicles subject to the Recall to receive an Approved Emissions Modification and Approved Emissions Modification Extended Warranty, but does not provide for benefits under the Settlement Agreement. Eligible Claimants subject to a Recall may still participate in this Settlement Agreement.

- 2.78 **“Related Action Plaintiffs”** means, as identified in Schedule “F”, each of the putative representative plaintiffs in the pending litigation listed therein.
- 2.79 **“Released Claims”** has the definition set forth in Section 5.3.
- 2.80 **“Released Parties”** has the definition set forth in Section 5.2.
- 2.81 **“Releasing Parties”** has the definition set forth in Section 5.3.
- 2.82 **“Second Opt-Out Period”** means, if there is no Approved Emissions Modification Option available for certain Eligible Vehicles by June 15, 2018, the period from June 15, 2018 until August 15, 2018, during which Eligible Owners, Eligible Lessees and Eligible Purchasers of such Eligible Vehicles, who have not received benefits under the Settlement Agreement, may opt out of the Settlement Class.
- 2.83 **“Settlement Agreement”** means this proposed settlement agreement, including its schedules, exhibits and any supplemental agreements, as amended and approved.
- 2.84 **“Settlement Approval Date”** means the date on which the last Approval Order is issued.
- 2.85 **“Settlement Approval Hearing”** means the hearing before a Court for the purpose of determining whether to issue an Approval Order.
- 2.86 **“Settlement Class”** means, for purposes of this Settlement Agreement only, a class of all persons (including individuals and entities), except for Excluded Persons, who (a) on September 18, 2015, were registered

owners or lessees of, or, in the case of Non-VW Dealers, held title to or held by bill of sale dated on or before September 18, 2015, an Eligible Vehicle; or (b) after September 18, 2015, but before the Claims Submission Deadline, become registered owners of, or, in the case of Non-VW Dealers, hold title to or hold by bill of sale dated after September 18, 2015, an Eligible Vehicle and continue to be the owners as at the Purchaser Transaction Date.

- 2.87 “**Settlement Class Member**” means a member of the Settlement Class.
- 2.88 “**Settlement Class Notices**” means the English and French versions of the Pre-Approval Notice, Approval Notice, Class Updates, and any other notice provided for in the Notice Program.
- 2.89 “**Settlement Class Release**” means the release and waiver by Settlement Class Members described in Section 5, not including the Individual Release, that will take effect upon entry of the Approval Orders in the Actions.
- 2.90 “**Settlement Class Representative**” means Option consommateurs and the following representative plaintiffs named in the Quenneville Action: Amy Fitzgerald, Therese H. Gadoury, Renee James, Jay MacDonald, Jack Mastromattei, Michael Joseph Pare, Matthew Robert Quenneville, Luciano Tauro and Al-Noor Wissanji.

- 2.91 “**Settlement Phone Number**” means the Canadian toll-free telephone number that potential Settlement Class Members can call to receive information about the Claims Program in English and French.
- 2.92 “**Settlement Website**” means, collectively, the public Internet websites described in Section 10.6.
- 2.93 “**Surrender For Inoperability**” means the process for surrendering an Eligible Vehicle that is Inoperable in exchange for an applicable Damages Payment, but not Vehicle Value, as set forth in Section 4.6.
- 2.94 “**Totalled Vehicle**” means an Eligible Vehicle whose title was transferred by an Eligible Owner to an insurance company because the Eligible Vehicle was totalled or appraised as a total loss.
- 2.95 “**Trust Account**” means the interest-bearing account to be established by VW and managed by the Trustee for holding and maintaining, in accordance with the terms of the Settlement Agreement and the Trust Agreement, funds deposited in trust for the benefit of Eligible Claimants and as hereinafter described in Section 7.1.
- 2.96 “**Trust Agreement**” means the separate trust agreement by and among the Parties and the Trustee which shall be kept confidential. The Trust Agreement shall not be filed with the Courts and its terms shall not be disclosed in any other manner (other than the statements herein), unless and until a Court otherwise directs or a dispute arises between the Parties, or one or more Parties and the Trustee, concerning its interpretation or

application. If submission of the Trust Agreement is required for resolution of a dispute or is otherwise ordered by a Court, the Parties will make their best efforts to have the Trust Agreement submitted to the Court *in camera* or filed under seal.

2.97 “**Trustee**” means the entity or institution agreed upon by the Parties to manage the Trust Account pursuant to the terms of the Trust Agreement. The Trustee must be appointed by the Courts.

2.98 “**Vehicle Value**” means an Eligible Vehicle’s CBB Wholesale Value on September 18, 2015, as regionally adjusted by CBB, based upon the applicable CBB Wholesale Category. In respect of an Eligible Vehicle to which the highest mileage CBB Wholesale Category applies, the Eligible Vehicle’s mileage as of September 18, 2015 will be established according to the calculation set forth in Schedule “E” to determine the Vehicle Value.

2.99 “**VIN**” means a vehicle identification number.

2.100 “**VIN Look-Up**” means the searchable function by VIN on the Settlement Website to identify potential Eligible Vehicles, and whether potential Eligible Vehicles were under active lease from VCCI as of September 18, 2015.

2.101 “**VW**” means, individually and collectively, Volkswagen Group Canada Inc., VW Credit Canada, Inc., Volkswagen Aktiengesellschaft, Volkswagen Group of America, Inc., Audi of America Inc. (not a legal entity), Audi Canada Inc. and Audi Aktiengesellschaft.

2.102 “**VW Credit Canada, Inc.**” or “**VCCI**” means the corporation incorporated under the laws of Canada as VW Credit Canada, Inc. / Crédit VW Canada, Inc., including VW Credit Canada, Inc. / Crédit VW Canada, Inc. doing business as Volkswagen Finance and Audi Finance.

3. APPROVAL OF THE SETTLEMENT AGREEMENT AND CERTIFICATION / AUTHORIZATION FOR SETTLEMENT PURPOSES

3.1 Promptly after the execution of this Settlement Agreement, Class Counsel shall submit the Settlement Agreement to the Courts pursuant to a motion for a Pre-Approval Order.

3.2 It is expressly agreed that any certification / authorization of the Settlement Class, and any motion for a Pre-Approval Order seeking same, shall be for settlement purposes only, and VW retains all rights to assert that certification / authorization of a class in the Actions for any other purpose is not appropriate.

3.3 Consistent with the Confidentiality Order, a motion for a Pre-Approval Order shall be submitted to each of the Courts in a manner that seeks to preserve the confidentiality of the motion and Settlement Agreement until such time as the hearing of the motion before a Court, and then any disclosures shall be made only as are necessary to have the motion heard. In addition, the motion for a Pre-Approval Order submitted to each Court shall seek a Pre-Approval Order that is conditional upon a complementary Pre-Approval Order being made by the other Court. If and when Pre-Approval Orders are granted in both Actions, disclosure by the

Parties of the Settlement Agreement and Pre-Approval Orders shall be consistent with Section 9.1.

3.4 The Parties and their successors, assigns and counsel agree to take all actions and steps reasonably necessary to obtain Approval Orders in the Actions. The motion for an Approval Order submitted to each Court shall seek an Approval Order that is conditional upon an Approval Order being made by the other Court.

3.5 This Settlement Agreement shall be null and void and of no force and effect unless Approval Orders are granted in the Actions and the Effective Date occurs.

4. CLAIMS TO BE COMPENSATED BY THE SETTLEMENT

4.1 VW will provide compensation to Eligible Claimants for Claims made pursuant to and in accordance with the terms of this Settlement Agreement, as further described in Exhibit "1". If the Claims Administrator or, on appeal, the Arbitrator, determines that a Settlement Class Member is an Eligible Claimant, the Settlement Class Member's Claim will be granted in accordance with Sections 4.2 through 4.10.

4.2 Eligible Owners.

4.2.1. **Buyback.** Eligible Owners that continue to be owners of Eligible Vehicles through the Owner Transaction Date may sell their Eligible Vehicle to VW and receive Vehicle Value. Eligible

Owners who choose this option will also receive the Owner Damages Payment.

4.2.2. **Buyback With Trade-In.** Eligible Owners that continue to be owners of Eligible Vehicles through the Owner Transaction Date may trade in their Eligible Vehicle to an Authorized VW Dealer and apply the Fair Market Value of the Eligible Vehicle towards the purchase price of a new or used Volkswagen- or Audi-brand vehicle from that Authorized VW Dealer. Eligible Owners who choose this option will receive the Owner Damages Payment and a payment of the remainder, if any, of the Vehicle Value after subtracting the Fair Market Value. For an Eligible Owner's purposes, the Buyback With Trade-In is intended to be functionally equivalent to a vehicle trade-in in the ordinary course of business of an automobile dealer located in Canada.

4.2.3. **Fines or Penalties Attaching to the Eligible Vehicle or Its Registration In Québec.** In order to receive a Buyback or Buyback With Trade-In, an Eligible Owner must have no fines remaining unpaid or unresolved under Québec's *Highway Safety Code*, or a municipal traffic or parking bylaw in Québec. While an Eligible Owner is responsible for paying or resolving such fines, to the extent that the Claims Administrator requests proof that no such fines remain unpaid or unresolved, VW or an

Authorized VW Dealer shall provide, or cause to be provided, such proof.

4.2.4. **Loan Obligations.** For Eligible Owners with a Loan Obligation, full satisfaction of the Loan Obligation must be arranged for an Eligible Owner to receive a Buyback or Buyback With Trade-In. Where Eligible Owners are eligible for and choose a Buyback, some or all of their Vehicle Value and Owner Damages Payment may be paid directly by VW to such Eligible Owners' lenders towards satisfaction of a Loan Obligation. Where Eligible Owners are eligible for and choose a Buyback With Trade-In, some or all of their Vehicle Value, less Fair Market Value, and Owner Damages Payment may be paid directly by VW to such Eligible Owners' lender(s) towards satisfaction of a Loan Obligation. In either case, in order to receive a Buyback or Buyback With Trade-In, an Eligible Owner is responsible for payment of any balance of a Loan Obligation not being satisfied by payments made by VW. When full satisfaction of an Eligible Owner's Loan Obligation is arranged, in the case of a Buyback, the Eligible Owner will be entitled to receive a payment of any portion of the Vehicle Value and Owner Damages Payment not being used towards satisfaction of the Loan Obligation, and in the case of a Buyback With Trade-In, the Eligible Owner will be entitled to receive a payment of any portion of the Vehicle Value,

less Fair Market Value, and Owner Damages Payment not being used towards satisfaction of the Loan Obligation.

4.2.5. **Loan Forgiveness.** In the event that there is no Approved Emissions Modification by June 15, 2017 for the Eligible Vehicle of an Eligible Owner with a Loan Obligation, and the Loan Obligation exceeds the sum of the Vehicle Value and Owner Damages Payment, the Eligible Owner will qualify for a Loan Forgiveness payment towards satisfaction of the Loan Obligation. An Eligible Owner that receives Loan Forgiveness is responsible for any balance on the Loan Obligation not satisfied by the Loan Forgiveness payment.

4.2.6. **Approved Emissions Modification Option.** Eligible Owners that continue to be owners of Eligible Vehicles through the Owner Transaction Date may choose the Approved Emissions Modification Option, and receive the Approved Emissions Modification Extended Warranty and the Owner Damages Payment, subject to Section 4.7.2.

4.2.7. **Totalled Vehicles.** An Eligible Owner that, on a date that is sixty (60) days or more after the Pre-Approval Notice Date, transfers title of an Eligible Vehicle to an insurance company because the Eligible Vehicle was totalled or appraised as a total loss, may receive the Owner Damages Payment only.

4.3 **Eligible Lessees.**

4.3.1. **Eligible Lessees with Active Leases.**

4.3.1.1. **Early Lease Termination.** Eligible Lessees with an active lease of an Eligible Vehicle on the Lessee Transaction Date may choose Early Lease Termination and receive the Non-Owner Damages Payment.

4.3.1.2. **Approved Emissions Modification.** Eligible Lessees with an active lease of an Eligible Vehicle on the Lessee Transaction Date may choose the Approved Emissions Modification Option and receive the Approved Emissions Modification Extended Warranty and Non-Owner Damages Payment, subject to Section 4.7.2. Subject to Section 4.7.2, if no Approved Emissions Modification Option is available for the Eligible Vehicle during the term of the lease and the term of the lease ends before June 15, 2018, then, provided that the Eligible Vehicle is not purchased by the Eligible Lessee pursuant to the lease terms, the Eligible Lessee may receive Non-Owner Damages Payment that is payable on the last day of the Eligible Lessee's lease.

4.3.2. **Eligible Lessees with Concluded Leases.**

4.3.2.1. **Conclusion of the Lease.** Eligible Lessees with a concluded lease before the Claims Submission Deadline, and who do not purchase their Eligible Vehicle at the conclusion of the lease pursuant to the lease terms, may receive the Non-Owner Damages Payment.

4.3.2.2. **Approved Emissions Modification.** Eligible Lessees with a concluded lease before the Claims Submission Deadline, and who purchase their Eligible Vehicle at the conclusion of the lease pursuant to the lease terms, may choose the Approved Emissions Modification Option and receive the Approved Emissions Modification Extended Warranty and the Non-Owner Damages Payment, subject to Sections 4.7.2 and 4.9.1. If such Eligible Lessees sell their Eligible Vehicle, and the Eligible Vehicle has not been modified with any stage of the Approved Emissions Modification, they may receive fifty percent (50%) of the Non-Owner Damages Payment payable on the date of the sale upon satisfactory proof of sale.

4.4 **Eligible Sellers.** A Settlement Class Member that is an Eligible Seller may receive the Non-Owner Damages Payment upon satisfactory proof of sale.

4.5 **Eligible Purchasers.**

4.5.1. **Eligible Purchasers of Eligible Vehicles that Were Not under Lease from VCCI to a Third-Party on September 18, 2015.**

Eligible Purchasers that own Eligible Vehicles that were not under lease from VCCI to a third-party on September 18, 2015 may choose the Approved Emissions Modification Option, and receive the Approved Emissions Modification Extended Warranty and Non-Owner Damages Payment, subject to Sections 4.7.2 and 4.9.1.

4.5.2. **Eligible Purchasers of Eligible Vehicles Leased from VCCI to a Third-Party on September 18, 2015.**

Eligible Purchasers that purchased Eligible Vehicles that were under lease from VCCI to a third-party on September 18, 2015, may choose the Approved Emissions Modification Option and receive the Approved Emissions Modification Extended Warranty and fifty percent (50%) of the Non-Owner Damages Payment, subject to Sections 4.7.2 and 4.9.1.

4.6 **Inoperable Vehicles.** An Eligible Claimant that on the Owner Transaction Date, Purchaser Transaction Date or Lessee Transaction Date, as the

case may be, owns an Eligible Vehicle that was Operable on the Pre-Approval Notice Date, but which became Inoperable, may surrender all right, title, and interest in, and possession of, the Eligible Vehicle to VW at an Authorized VW Dealer and receive the applicable Damages Payment, but not Vehicle Value, except that, in order to receive the benefit in this Section, (a) the Eligible Claimant must have no fines remaining unpaid or unresolved under Québec's *Highway Safety Code*, or a municipal traffic or parking bylaw in Québec, and to the extent that the Claims Administrator requests proof that no such fines remain unpaid or unresolved, VW or an Authorized VW Dealer shall provide, or cause to be provided, such proof; and (b) if the Eligible Claimant has a Loan Obligation on the Eligible Vehicle, full satisfaction of the Loan Obligation must be arranged. In the case of such Loan Obligations, some or all of the applicable Damages Payment may be paid directly by VW to such Eligible Claimants' lenders towards satisfaction of their Loan Obligation, and if that amount is not sufficient to satisfy their Loan Obligation in full, Eligible Claimants are responsible for payment of any balance of their Loan Obligation not being satisfied by payments made by VW. When full satisfaction of any Loan Obligation of an Eligible Claimant is arranged, the Eligible Claimant will be entitled to receive a payment of any portion of the applicable Damages Payment not being used towards satisfaction of the Loan Obligation. Loan Forgiveness is not available for a Surrender For Inoperability.

4.7 **Approved Emissions Modification Programs.**

4.7.1. **Approved Emissions Modification Option.** VW shall offer to Eligible Owners, Eligible Lessees and Eligible Purchasers, where applicable, an Approved Emissions Modification Option. It is possible that there may be Approved Emissions Modifications for some Eligible Vehicles, but not for others.

4.7.2. **Two-Stage Approved Emissions Modification for Generation 3 Engines.** In the event that the Approved Emissions Modification for Eligible Vehicles with a Generation 3 engine must be implemented in two separate stages, Eligible Owners, Eligible Purchasers and Eligible Lessees of such Eligible Vehicles who are eligible for and who elect the Approved Emissions Modification Option will receive a payment when they complete the first stage of the Approved Emissions Modification in the amount of fifty percent (50%) of the applicable Damages Payment. A payment of the remaining fifty percent (50%) of the applicable Damages Payment, as well as an oil change with respective engine oil filter at no charge, will be rendered to the same Eligible Owner, Eligible Purchaser or Eligible Lessee, as the case may be, upon their completion of the second stage of the Approved Emissions Modification or, in the case of the same Eligible Lessee, a payment of the remaining fifty percent (50%) of the applicable Damages Payment (but not an oil change with

respective engine oil filter) may be rendered as of the last day of the lease if the second stage of the Approved Emissions Modification is not completed by that date, provided that the Eligible Lessee has not purchased the leased Eligible Vehicle at the conclusion of the lease pursuant to the terms of the lease and the term of the lease ends before June 15, 2018. In the event that ownership of an Eligible Vehicle with a Generation 3 engine changes after the first stage of the Approved Emissions Modification is completed, and without the second stage completed, a subsequent owner of the Eligible Vehicle that completes the second stage of the Approved Emissions Modification will receive an oil change with respective engine oil filter at no charge, as well as a payment of fifty percent (50%) of the Damages Payment that would apply if the subsequent owner was the same Eligible Owner, Eligible Purchaser, or Eligible Lessee, as applicable, that completed the first stage of the Approved Emissions Modification for the Eligible Vehicle.

- 4.7.3. **Approved Emissions Modification Disclosure.** For each Approved Emissions Modification, VW shall provide a Class Update with a clear and accurate written disclosure based on the best available information (the “**Approved Emissions Modification Disclosure**”) regarding the impacts of the Approved Emissions Modification on applicable Eligible Vehicles. The Approved Emissions Modification Disclosure will describe in

plain language: (a) the Approved Emissions Modification generally; (b) any software changes required to perform the Approved Emissions Modification; (c) all hardware changes required to perform the Approved Emissions Modification; (d) for Eligible Vehicles with a Generation 3 engine, a clear explanation of any and each subsequent stage required by the Approved Emissions Modification; (e) any and all reasonably predictable changes resulting from the Approved Emissions Modification for a particular Eligible Vehicle, including but not limited to changes to reliability, durability, fuel economy, noise vibration, vehicle performance, drivability and any other vehicle attributes that may reasonably be important to vehicle customers; (f) a summary of how Eligible Claimants may receive the Approved Emissions Modification through the Approved Emissions Modification Option; and (g) any limitations of the Approved Emissions Modification that make identification and repair of any components difficult or impossible, compromise warranty coverage or may reduce the effectiveness of inspection and maintenance program vehicle inspections.

4.7.4. Approved Emissions Modification Recall.

4.7.4.1. Available Approved Emissions Modification Before Start of Claims Program. In the event that, prior to the commencement of the Claims Program, an Eligible

Claimant receives an Approved Emissions Modification, or any portion thereof, pursuant to a Recall, there will be no impact on such Eligible Claimant's choice of eligible benefits under this Settlement Agreement.

4.7.4.2. Available Approved Emissions Modification After Start of Claims Program. In the event that, after the commencement of the Claims Program, an Eligible Claimant receives an Approved Emissions Modification, or any stage thereof, pursuant to a Recall, the Eligible Claimant is only eligible to receive the Approved Emissions Modification Option, notwithstanding anything to the contrary in this Settlement Agreement. Such Eligible Claimants may only receive any further stages of the Approved Emissions Modification applicable to their Eligible Vehicle and the applicable Damages Payment, subject to Section 4.7.2.

4.8 Approved Emissions Modification Extended Warranty.

4.8.1. Each Eligible Owner, Eligible Lessee, or Eligible Purchaser who is eligible for and receives the Approved Emissions Modification Option shall also receive an Approved Emissions Modification Extended Warranty, which is a transferrable warranty.

4.8.2. **Engine Generations.** “**Generation**” means the different versions of emission control technology installed in the various brand, model and model year configurations of Eligible Vehicles as follows:

4.8.2.1. Eligible Vehicles with a “**Generation 1**” (or GEN 1) engine consist of: VW Jetta 2009-2014; VW Beetle 2013-2014; VW Jetta Wagon 2009; VW Golf 2010-2013; VW Golf Wagon 2010-2014; and Audi A3 2010-2013;

4.8.2.2. Eligible Vehicles with a “**Generation 2**” (or GEN 2) engine consist of VW Passat 2012-2014;

4.8.2.3. Eligible Vehicles with a “**Generation 3**” (or GEN 3) engine consist of: VW Jetta 2015; VW Beetle 2015; VW Golf 2015; VW Passat 2015; VW Golf Sportwagon 2015; and Audi A3 2015.

4.8.3. **Approved Emissions Modification Extended Warranty.** The Approved Emissions Modification Extended Warranty shall cover all components that are replaced as part of the Approved Emissions Modification, any component that, as determined by appropriate regulators, can reasonably be impacted by effects of the Approved Emissions Modification, as well as the engine sub-assembly that consists of the assembled block, crankshaft,

cylinder head, camshaft and valve train. The Approved Emissions Modification Extended Warranty shall cover all parts and labour related to the covered components, as well as the cost or provision of a loaner vehicle for warranty service lasting longer than three (3) hours.

4.8.4. Warranty Period.

4.8.4.1. The warranty period for the Approved Emissions Modification Extended Warranty for Generation 1 and Generation 2 engine vehicles shall be both:

- (a) 10 years or 193,000 km, whichever comes first, from the vehicle's Original In Service Date; and
- (b) 4 years or 77,000 km, whichever comes first, from the date and mileage of implementing the Approved Emissions Modification.

4.8.4.2. The warranty period for the Approved Emissions Modification Extended Warranty for Generation 3 engine vehicles shall be both:

- (a) 10 years or 240,000 km, whichever comes first, from the vehicle's Original In Service Date; and

(b) 4 years or 77,000 km, whichever comes first, from the date and mileage of implementing the second stage of the Approved Emissions Modification.

4.8.5. **No Defence.** Neither this Settlement Agreement nor the Approval Orders are a defence to liability arising out of the Approved Emissions Modification Option. Nothing herein, however, prohibits VW from relying on this Settlement Agreement in any action alleging noncompliance with the Settlement Agreement.

4.8.6. **Disclosure to Subsequent Purchasers.** For each Eligible Vehicle that is modified pursuant to the Approved Emissions Modification Option, VW shall use best efforts to cause such Eligible Vehicles to be labelled to this effect, consistent with Recall procedures. To the extent that it becomes known to VW that an Eligible Vehicle in the possession of an Eligible Claimant, which has been modified pursuant to the Approved Emissions Modification Option, was not labelled accordingly following completion of Approved Emissions Modification, VW will make available, at no cost to the Eligible Claimant, appropriate labels that can be applied to the Eligible Vehicle at the Eligible Claimant's preferred Authorized VW Dealer.

4.9 **No Approved Emissions Modification.**

4.9.1. **Owned Vehicles.** If, by June 15, 2018, there is no Approved Emissions Modification, or second stage of an Approved Emissions Modification, for Eligible Vehicles with a particular Generation of engine, Settlement Class Members who own such Eligible Vehicles will be informed by a Class Update that, if they have not already made a Claim, or if no benefits under the Settlement Agreement have been received in respect of their Eligible Vehicle, they may opt out of the Settlement Class during the Second Opt-Out Period or, if they remain in the Settlement Class, or if their Eligible Vehicle has been modified with the first stage of an Approved Emissions Modification, they may choose a Buyback or Buyback With Trade-In regardless of whether they meet the definition of an Eligible Owner, in which case Sections 4.2.3 through 4.2.5 and Schedules “B” and “E” will apply to them as if they are Eligible Owners for purposes thereof, except that they will receive their applicable Damages Payment, or fifty percent (50%) of the applicable Damages Payment if their Eligible Vehicle has been modified with the first stage of an Approved Emissions Modification. For avoidance of doubt, if a Class Update is issued on or before June 15, 2018 identifying that there is an Approved Emissions Modification, or a second stage of an Approved Emissions Modification, for Eligible Vehicles, this Section shall not be applicable to owners of such Eligible Vehicles.

4.9.2. Active Leases.

4.9.2.1. If, by June 15, 2018, there is no Approved Emissions Modification, or second stage of an Approved Emissions Modification, for Eligible Vehicles with a particular Generation of engine, Eligible Lessees with an active lease of such Eligible Vehicles where the term of the lease ends after June 15, 2018 but before the Claims Submission Deadline, and who do not purchase their Eligible Vehicle at the conclusion of the lease pursuant to the lease terms, may receive the Non-Owner Damages Payment payable upon the conclusion of the lease.

4.9.2.2. If, by June 15, 2018, there is no Approved Emissions Modification, or second stage of an Approved Emissions Modification, for Eligible Vehicles with a particular Generation of engine, Eligible Lessees with an active lease of such Eligible Vehicles where the term of the lease ends after June 15, 2018, including after the Claims Period Deadline, may choose Early Lease Termination and receive the Non-Owner Damages Payment, or fifty percent (50%) of the Non-Owner Damages Payment if their Eligible Vehicle has

been modified with the first stage of Approved Emissions Modification.

4.10 **Other Provisions.**

4.10.1. **Only One Claim for Each Eligible Vehicle.** Only one Claim will be granted for each Eligible Vehicle, or as divided between Eligible Claimants for the same Eligible Vehicle in the manner prescribed within this Settlement Agreement.

4.10.2. **Canadian Dollars.** All dollar amounts referred to in this Settlement Agreement are in Canadian dollars, unless expressly provided otherwise. All payments made to Eligible Claimants will be paid in Canadian dollars.

4.10.3. **No Prohibition on Other Incentives.** Nothing in this Settlement Agreement is intended to prohibit VW or its Authorized VW Dealers from offering any consumer any further incentives or trade-in options in addition to those provided herein; however, VW may not offer consumers other incentives or trade-in options in lieu of the options contained herein, in whole or in part, and the trade-in credit of an Eligible Vehicle must be its Fair Market Value for purposes of a Buyback With Trade-In. In addition, VW may not offer any incentive not to participate in the Claims Program, and shall request that Authorized VW Dealers not offer any incentive not to participate in the Claims Program.

- 4.10.4. **Joint and Several Responsibility.** VW's obligations to comply with the requirements of the Settlement Agreement are joint and several among the VW entities. Any legal successor or assign of any VW entity shall remain jointly and severally liable for the payment and other performance obligations hereunder. A VW entity shall include an agreement to so remain liable in the terms of any sale, acquisition, merger or other transaction changing the ownership or control of itself, and no change in the ownership or control of any VW entity shall affect VW's obligations hereunder.
- 4.10.5. **Tax Implications.** While there is no intended tax effect to Eligible Claimants from payments made pursuant to the Settlement Agreement, except as would apply to a vehicle trade-in in the ordinary course of business for purposes of Section 4.2.2, Settlement Class Members are encouraged to consult a tax advisor for assistance regarding any tax ramifications of this Settlement Agreement.
- 4.10.6. **Deceased, Dissolved, Incapacitated or Bankrupt Eligible Claimants.** In the event of an Eligible Claimant's death, dissolution, incapacity or bankruptcy (whether discharged or ongoing), and upon satisfactory proof thereof, the Claims Administrator shall assign, where possible and in accordance with applicable law, the Eligible Claimant's benefits to that Eligible Claimant's estate or legal representative.

4.10.7. **Military / Government Service.** In the event that an Eligible Claimant's military service or government assignment outside of Canada creates an undue burden for participating in the Claims Program, the Eligible Claimant may, upon satisfactory proof thereof, assign in writing his or her rights to benefits under the Settlement Agreement, except that any requirements in law to transfer such benefits must be satisfied by the Eligible Claimant or assignee in order for the assignee to receive such benefits.

4.10.8. **Out-of-Pocket Costs.** Eligible Claimants who choose a Buyback, a Buyback With Trade-In, the Approved Emissions Modification Option, Early Lease Termination or a Surrender For Inoperability, as applicable, must, at their own expense, bring their Eligible Vehicle to an Authorized VW Dealer to avail themselves of these options.

5. **RELEASE AND WAIVER**

5.1 The Parties agree to the following Settlement Class Release that shall take effect upon entry of the Approval Orders in the Actions.

5.2 **Released Parties.** "**Released Parties**" means any person who, or entity that, is or could be responsible or liable in any way whatsoever, whether directly or indirectly, for the 2.0-Litre Diesel Matter. The Released Parties include, without limitation, (a) Volkswagen Aktiengesellschaft, Audi Aktiengesellschaft, Volkswagen Group Canada Inc., Audi Canada Inc., Volkswagen Group of America, Inc. (d/b/a Volkswagen of America, Inc. or

Audi of America, Inc.), Volkswagen Group of America Chattanooga Operations, LLC, Audi of America, LLC, VW Credit Canada, Inc., VW Credit, Inc., VW Credit Leasing, Ltd., VCI Loan Services, LLC, and any former, present and future owners, shareholders, directors, officers, employees, affiliates, parent companies, subsidiaries, predecessors, lawyers, agents, insurers, representatives, successors, heirs and assigns (individually and collectively, “**VW Released Entities**”); (b) any and all contractors, subcontractors and suppliers of the VW Released Entities; (c) any and all persons and entities indemnified by any VW Released Entity with respect to the 2.0-Litre Diesel Matter; (d) any and all other persons and entities involved in the design, research, development, manufacture, assembly, testing, sale, leasing, repair, warranting, marketing, advertising, public relations, promotion or distribution of any Eligible Vehicle, even if such persons are not specifically named in this Section, including without limitation all Authorized VW Dealers and non-authorized dealers and sellers; (e) Claims Administrator; (f) Notice Administrator; (g) Opt-Out / Objection Administrator; (h) lenders, creditors, financial institutions or any other parties that financed any purchase or lease of an Eligible Vehicle; and (i) for each of the foregoing, their respective former, present and future affiliates, parent companies, subsidiaries, predecessors, successors, shareholders, indemnitors, subrogees, spouses, joint ventures, general or limited partners, lawyers, assigns, principals, officers, directors, employees, members, agents, representatives, trustees, insurers, reinsurers, heirs, beneficiaries, wards,

estates, executors, administrators, receivers, conservators, personal representatives, divisions, dealers and suppliers. Notwithstanding the foregoing, this Release does not release any claims against the Bosch Entities.

5.3 Settlement Class Release. In consideration of the Settlement Agreement, Settlement Class Members, on behalf of themselves and their agents, heirs, executors and administrators, successors, assigns, insurers, lawyers, representatives, shareholders, owners associations and any other legal or natural persons who may claim by, through, or under them (individually and collectively, the “**Releasing Parties**”), fully, finally, irrevocably and forever release, waive, discharge, relinquish, settle and acquit any and all claims, demands, actions or causes of action, whether known or unknown, that they may have, purport to have, or may have hereafter against any Released Party, arising out of or in any way related to the 2.0-Litre Diesel Matter. This Settlement Class Release applies to any and all claims, demands, actions or causes of action of any kind or nature whatsoever, whether in law or in equity, known or unknown, direct, indirect or consequential, liquidated or unliquidated, past, present or future, foreseen or unforeseen, developed or undeveloped, contingent or noncontingent, suspected or unsuspected, whether or not concealed or hidden, arising from or in any way related to the 2.0-Litre Diesel Matter, including without limitation (a) any claims that were or could have been asserted in the Actions; and (b) any claims for fines, penalties, criminal assessments, economic damages, punitive damages, exemplary

damages, liens, injunctive relief, counsel, expert, consultant or other litigation fees or costs other than fees and costs awarded by the Courts in connection with this Settlement Agreement, or any other liabilities, that were or could have been asserted in any civil, criminal, administrative or other proceeding, including arbitration (individually and collectively, the “**Released Claims**”). This Settlement Class Release applies without limitation to any and all such claims, demands, actions or causes of action regardless of the legal or equitable theory or nature under which they are based or advanced including without limitation legal and / or equitable theories under any federal, provincial, territorial, municipal, local, tribal, administrative or international law, statute, ordinance, code, regulation, contract, common law, equity or any other source, and whether based in strict liability, negligence, gross negligence, punitive damages, nuisance, trespass, breach of warranty, misrepresentation, breach of contract, fraud or any other legal or equitable theory, whether existing now or arising in the future, that arise from or in any way relate to the Released Claims. Notwithstanding the foregoing, this Settlement Agreement does not release any claims for wrongful death or personal injury. For the avoidance of doubt, claims relating to 3.0-litre diesel vehicles are not subject to any release in this Settlement Agreement.

- 5.4 No Settlement Class Member shall recover, directly or indirectly, any sums for Released Claims from the Released Parties, other than sums received under the Settlement Agreement, and the Released Parties shall have no

obligation to make any payments to any non-parties for liability arising out of Released Claims by operation of this Settlement Agreement.

5.5 **Possible Future Claims.** For the avoidance of doubt, Settlement Class Members expressly understand and acknowledge that they may hereafter discover claims presently unknown or unsuspected, or facts in addition to or different from those that they now know or believe to be true, related to the Released Claims, the Actions and / or the Settlement Class Release. Nevertheless, it is the intention of Class Counsel, the Settlement Class Representatives and the Related Action Plaintiffs in executing this Settlement Agreement to fully, finally, irrevocably and forever release, waive, discharge, relinquish, settle and acquit all such matters, and all claims relating thereto which exist, hereafter may exist or might have existed (whether or not previously or currently asserted in any action or proceeding) with respect to the Released Claims.

5.6 **Covenant Not to Sue.** Notwithstanding Section 5, for any Settlement Class Member resident in any province or territory where the release of one tortfeasor is a release of all other tortfeasors, the Releasing Parties do not release the Released Parties but instead irrevocably covenant not to sue the Released Parties, or any of them, including on a joint, several and / or solidary liability basis, and undertake not to make any claim in any way or to threaten, commence, participate in, or continue any proceeding in any jurisdiction against the Released Parties, or any of them for, in respect of, or in relation to the Released Claims, or any of them.

5.7 **Individual Release.** Settlement Class Members who receive a Buyback, a Buyback With Trade-In, a Surrender For Inoperability, an Early Lease Termination and / or a Damages Payment (including pursuant to Section 4.7.2) for their Eligible Vehicle shall be required to execute an Individual Release, substantially in the form attached hereto as Exhibit “4”, as a precondition to receiving such relief. Consistent with the Settlement Class Release provided in this Settlement Agreement, the Individual Release will provide that a Settlement Class Member releases all of the Released Parties from any and all present and future claims (as described in Sections 5.3 and 5.5) arising out of or related to the Released Claims. For avoidance of doubt, an Individual Release executed by a Settlement Class Member as a precondition to receiving relief for an Eligible Vehicle releases, without limitation, all of the Released Parties from any and all present and future claims (as described in Sections 5.3 and 5.5) arising out of or related to the Released Claims that such Settlement Class Member has or may have with respect to any other Eligible Vehicle; however, the Individual Release shall not preclude such Settlement Class Member from receiving relief for any other Eligible Vehicle during the Claims Period, provided that the requirements for receiving such relief are satisfied. The Individual Release shall remain effective even if any Approval Order is reversed and / or vacated on appeal, or if this Settlement Agreement is abrogated or otherwise voided in whole or in part.

5.8 Actions or Proceedings Involving Released Claims. Settlement Class Members expressly agree that the Settlement Class Release, and the Approval Orders, are, will be and may be raised as a complete defence to, and will preclude, any action or proceeding specified in, or involving claims encompassed by, this Settlement Class Release whether in Canada or elsewhere. Settlement Class Members shall not now or hereafter institute, maintain, prosecute, assert and / or cooperate in the institution, commencement, filing or prosecution of any suit, action and / or other proceeding, whether in Canada or elsewhere, against the Released Parties with respect to the claims, causes of action and / or any other matters subject to the Settlement Class Release. To the extent that they have initiated, or caused to be initiated, any suit, action or proceeding not already encompassed by the Actions, whether in Canada or elsewhere, Settlement Class Members shall cause such suit, action or proceeding to come to an end, including with prejudice where available, consistent with Section 14.1. If a Settlement Class Member commences, files, initiates or institutes any new legal action or other proceeding for any Released Claim against any Released Party in any federal, state, provincial or territorial court, arbitral tribunal, or administrative or other forum, whether in Canada or elsewhere, (a) such legal action or other proceeding shall, at that Settlement Class Member's cost, be brought to an end, including with prejudice where available, consistent with Section 14.1; and (b) the respective Released Party shall be entitled to recover any and all reasonable related costs and expenses from that Settlement Class

Member arising as a result of that Settlement Class Member's breach of his, her or its obligations under this Settlement Class Release. Notwithstanding the foregoing, this Section does not apply to preclude the continuation of any suit, action or proceeding, whether in Canada or elsewhere, as to any claim that is not a Released Claim.

5.9 Ownership of Released Claims. The Settlement Class Representatives and Related Action Plaintiffs represent and warrant that they are the sole and exclusive owners of any and all claims that they personally are releasing under this Settlement Agreement. The Settlement Class Representatives and Related Action Plaintiffs further acknowledge that, except as provided in Sections 4.10.6 and 4.10.7, they have not assigned, pledged or in any manner whatsoever, sold, transferred, assigned or encumbered any right, title, interest or claim arising out of or in any way whatsoever pertaining to the Released Claims, including without limitation, any claim for benefits, proceeds or value under the Actions, and that the Settlement Class Representatives and Related Action Plaintiffs are not aware of anyone other than themselves claiming any interest, in whole or in part, in any benefits, proceeds or values to which they may be entitled as a result of the Released Claims. Settlement Class Members submitting a Claim shall represent and warrant therein that they are the sole and exclusive owner of all claims that they personally are releasing under the Settlement Agreement and that, except as provided in Sections 4.10.6 and 4.10.7, they have not assigned, pledged or in any manner whatsoever, sold, transferred, assigned or encumbered any right, title, interest or claim

in the Actions arising out of or in any way whatsoever pertaining to the Released Claims, including without limitation, any claim for benefits, proceeds or value under the Actions, and that such Settlement Class Members are not aware of anyone other than themselves claiming any interest, in whole or in part, in any benefits, proceeds or values to which those Settlement Class Members may be entitled as a result of the Released Claims.

- 5.10 **Total Satisfaction of Released Claims.** Any benefits pursuant to the Settlement Agreement are (a) in full, complete and total satisfaction of all of the Released Claims against the Released Parties, and (b) sufficient and adequate consideration for each and every term of the Settlement Class Release. The Settlement Class Release shall be irrevocably binding upon the Settlement Class Representatives, Related Action Plaintiffs and all Settlement Class Members.
- 5.11 **Release Not Conditioned on Claim or Payment.** The Settlement Class Release shall be effective with respect to all Releasing Parties, including all Settlement Class Members, regardless of whether those Settlement Class Members ultimately file a Claim or receive compensation under this Settlement Agreement.
- 5.12 **Basis for Entering Release.** Class Counsel acknowledge that they have conducted sufficient independent investigation and discovery to recommend the approval of this Settlement Agreement to the Courts and that they execute this Settlement Agreement freely, voluntarily and without

being pressured or influenced by, or relying on any statements, representations, promises or inducements made by the Released Parties or any person or entity representing the Released Parties, other than as set forth in this Settlement Agreement. The Settlement Class Representatives and Related Action Plaintiffs agree and specifically represent and warrant that they have discussed with Class Counsel the terms of this Settlement Agreement and have received legal advice with respect to the advisability of entering into this Settlement Agreement and the Settlement Class Release, and the legal effect of this Settlement Agreement and the Settlement Class Release. The representations and warranties made throughout the Settlement Agreement shall survive the execution of the Settlement Agreement and shall be binding upon the respective heirs, representatives, successors and assigns of the Parties.

5.13 **Material Term.** The Settlement Class Representatives, Related Action Plaintiffs and Class Counsel hereby agree and acknowledge that this Section 5 was separately bargained for and constitutes a key, material term of the Settlement Agreement that shall be reflected in the Approval Orders. The failure of any Court to approve this Settlement Agreement, the Settlement Class Release, the covenant not to sue in Section 5.6, and the dismissals and other terminations of proceedings involving Released Claims contemplated in Sections 5.8 and 14.1, or if a Court approves any of them in a materially modified form from that contemplated herein, shall give rise to a right of termination by VW or the Settlement Class Representatives, through Class Counsel, pursuant to Section 13.3.

5.14 **Reservation of Claims.** This Settlement Agreement shall resolve the claims of Settlement Class Members only as they relate to the Released Claims. The Parties reserve all rights to litigate liability and equitable relief of any sort for any subset of vehicles, purchasers, or lessees not expressly covered by this Settlement Agreement. For avoidance of doubt, this carve-out includes, but is not limited to, claims related to 3.0-litre diesel vehicles.

5.15 **Released Parties' Releases of Settlement Class Representatives, Related Action Plaintiffs, the Settlement Class and Class Counsel.** Upon the Effective Date, Released Parties absolutely and unconditionally release and forever discharge the Settlement Class Representatives, Related Action Plaintiffs, Settlement Class Members and Class Counsel from any and all claims relating to (a) the institution or prosecution of the portion of the Actions pertaining to 2.0-litre diesel vehicles, and (b) any tax effect to VW and / or any Authorized VW Dealer from implementation of the Settlement Agreement.

5.16 **No Admission of Liability.** The Settlement Class Representatives, Class Counsel, the Related Action Plaintiffs, the Settlement Class and the Releasing Parties agree, whether or not this Settlement Agreement is approved, terminated or otherwise fails to take effect for any reason, that this Settlement Agreement and anything contained herein, and any and all negotiations, documents, discussions and proceedings associated with this Settlement Agreement, and any action taken to carry out this

Settlement Agreement, shall not be deemed, construed or interpreted to be an admission of any violation of any statute or law, or of any wrongdoing or liability by any of the Released Parties, or of the truth of any of the claims or allegations contained in the Actions or any other pleading filed against VW by, or on behalf of, the Settlement Class Representatives, Related Action Plaintiffs, Settlement Class or any class that may be certified or authorized in the Actions.

5.17 **Settlement Agreement Not Evidence.** The Settlement Class Representatives, Class Counsel, the Related Action Plaintiffs and the Settlement Class agree that, whether or not it is terminated, this Settlement Agreement and anything contained herein, and any and all negotiations, documents, discussions and proceedings associated with this Settlement Agreement, and any action taken to carry out this Settlement Agreement, shall not be referred to, offered as evidence or received in evidence in any present, pending or future civil, criminal or administrative action or proceeding, except in a proceeding to approve, implement and / or enforce this Settlement Agreement, or as otherwise required by law or as provided in this Settlement Agreement.

6. CLAIMS PROGRAM ADMINISTRATION

6.1 VW's obligation to implement the Claims Program in accordance with this Settlement Agreement is and shall be contingent upon each of the following:

6.1.1. Entry of the Approval Orders;

6.1.2. The occurrence of the Effective Date; and

6.1.3. The satisfaction of any other conditions set forth in this Settlement Agreement.

6.2 **Claims Program.** Subject to Section 6.1, the Claims Program will begin as soon as reasonably practicable after the Effective Date and, unless any appeals are taken from an Approval Order, no later than April 28, 2017. The Claims Program involves five steps, as further described in Schedule "H". At Step 1, Settlement Class Members will obtain information about the options available to them. At Step 2, once a Settlement Class Member is ready to submit a Claim, the Settlement Class Member will, by the Claims Submission Deadline, submit a Claim Form to the Claims Administrator, either online, by mail or by courier, that contains certain information about the Settlement Class Member's Eligible Vehicle along with required documentation. The Claim Form shall require a Claimant to sign, whether electronically or by hand, and declare that information and material submitted is true and correct based on knowledge and belief. At Step 3, the Settlement Class Member's eligibility or ineligibility to participate in the Claims Program will be determined by the Claims Administrator, and an offer will be made if the Settlement Class Member is deemed an Eligible Claimant. At Step 4, Eligible Claimants will confirm their choice of offered benefits under the Settlement Agreement, accept their offer, execute an Individual Release and, if choosing a Buyback, a Buyback With Trade-In, the Approved Emissions Modification

Option, an Early Lease Termination or a Surrender For Inoperability, schedule an appointment at an Authorized VW Dealer. At Step 5, Eligible Claimants will receive their chosen benefits under the Settlement Agreement by the Claims Period Deadline. The process for submitting a Claim is designed to be as simple and convenient to Settlement Class Members as possible, consistent with the integrity of the Claims Program.

6.3 Irrevocability of Benefits Election. Eligible Claimants who are eligible for and choose a Buyback, a Buyback With Trade-In, the Approved Emissions Modification Option, an Early Lease Termination or a Surrender For Inoperability, as the case may be, may until twenty (20) days prior to their scheduled appointment for receiving their chosen benefit, change their choice of eligible benefits under the Settlement Agreement, except that (a) in the case of an Eligible Owner whose Eligible Vehicle is totalled or appraised as a total loss during that twenty (20) day period, the Eligible Owner may receive the Owner Damages Payment only, provided that the other conditions of Section 4.2.7 are met; and (b) if an Eligible Vehicle that is owned by an Eligible Claimant becomes Inoperable during that twenty (20) day period, the Eligible Claimant will be allowed to change his, her or its choice of benefits to a Surrender For Inoperability, in which case the Eligible Claimant will not be eligible for any previously available Loan Forgiveness payment.

6.4 Role of Authorized VW Dealers. The Buyback, Buyback With Trade-In, Early Lease Termination and Surrender For Inoperability options under

this Settlement Agreement, and the Approved Emissions Modification Option, will be completed at an Authorized VW Dealer.

6.5 Prescribed Communications by Authorized VW Dealers. Authorized VW Dealers may communicate with, or send communications to, Settlement Class Members in a manner consistent with the terms of this Settlement Agreement for the purpose of: (a) providing information about the Claims Program and submitting a Claim; (b) providing information about the purchase of a new or used Volkswagen- or Audi-brand vehicle to Settlement Class Members who wish to receive information about the Buyback With Trade-In; (c) performing an Approved Emissions Modification Option on their Eligible Vehicle; and (d) completing a Buyback, a Buyback With Trade-In, an Early Lease Termination or a Surrender For Inoperability. Nothing in this Section is intended to limit any communication with Settlement Class Members by the Claims Administrator. Prior to the commencement of the Claims Program, VW will develop a program to train, assist and work with Authorized VW Dealers and their employees and representatives in order to give effect to this Section. This program shall include training materials reflecting a detailed description of the Claims Program approved by the Claims Administrator before the Claims Program commences.

6.6 Claims Administrator. The Claims Administrator will oversee the implementation and administration of the Claims Program, including verification and determination of Claim eligibility and approval of offers and

payments to Eligible Claimants. The Claims Administrator's duties include, but are not limited to (a) for the Second Opt-Out Period, receiving and maintaining on behalf of the Courts in the Actions any Settlement Class Members' correspondence regarding requests for opting out of the Settlement Class; (b) oversight of the Settlement Website; (c) administrating the Claims Portal; (d) management of communications with Settlement Class Members regarding the Claims Program, including through the use of a call centre for the Settlement Phone Number, as described in Section 10.5; (e) forwarding written inquiries to Lead Class Counsel for a response, if warranted; (f) managing the meet and confer and appeals process as set out in Section 6.7; (g) issuing and, where appropriate, reissuing payments on Claims to Eligible Claimants; and (h) monitoring the amounts of uncashed cheques paid to Eligible Claimants. The Claims Administrator shall have the authority to perform all actions, to the extent not expressly prohibited by, or otherwise inconsistent with, any provision of this Settlement Agreement, deemed by the Claims Administrator to be reasonably necessary for the efficient and timely administration of this Settlement Agreement. This shall include the authority to deny Claims that frustrate the spirit of the Settlement Agreement.

6.7 Appeal Process. For purposes of this Section, references to Claimant may include Lead Class Counsel if acting on behalf of the Claimant. Within ten (10) days after the issuance of a decision in writing to a Claimant (a) of the Claimant's eligibility to receive benefits under the

Settlement Agreement, (b) of an offer of settlement benefits, or (c) denying a request made during the Claims Period, or up to six (6) months after the Claims Period Deadline, to reissue a stale dated, non-negotiable cheque for payment of a Claim, the Claimant must notify the Claims Administrator in writing of any intent to dispute the decision, except that no appeal or other review is available for disputing Damages Payments, the reliance on CBB for determining Vehicle Value or Fair Market Value, or any other standard under this Settlement Agreement, except to the extent that a miscategorization of the Claimant's benefits or a calculation error is alleged. The Claims Administrator must deliver the particulars of the Claimant's dispute to VW and Lead Class Counsel. Lead Class Counsel must confer by conference call with VW within five (5) days after the Claims Administrator transmits the Claimant's written notice of dispute, or within such other time period as agreed to by VW and Lead Class Counsel. If the conference call does not resolve the dispute, the Claims Administrator must in writing advise the Claimant that he, she or it may appeal to the Arbitrator by requesting an appeal and setting out the basis of the appeal in writing delivered to the Claims Administrator within thirty (30) days after the date of such notification. The following procedures will govern these appeals:

6.7.1. Payment of a Filing Fee must be arranged by a Claimant to initiate an appeal. If a Claimant is an Eligible Claimant and is appealing from a decision of an offer of settlement benefits, the Claimant may, within ten (10) days after delivery of the

Claimant's written appeal, submit to the Claims Administrator a signed written agreement that, if the Claimant's appeal is denied by the Arbitrator, the Filing Fee shall be deducted from the Claimant's payment of benefits. In all other instances, unless the Filing Fee is fully paid by a Claimant with a certified cheque or money order submitted to the Claims Administrator within ten (10) days after delivery of a written appeal, the appeal shall be dismissed.

6.7.2. After the Claims Administrator receives a Claimant's written appeal and the Claimant has arranged for full payment of the Filing Fee, the Claims Administrator shall deliver the written appeal to VW and Lead Class Counsel.

6.7.3. VW must submit to the Claims Administrator VW's written response within fifteen (15) days after receipt of the Claimant's written appeal from the Claims Administrator.

6.7.4. Lead Class Counsel may submit to the Claims Administrator a written reply within ten (10) days after receipt of VW's written response from the Claims Administrator.

6.7.5. The Claims Administrator shall transmit to the Arbitrator all received documents with copies to VW, Lead Class Counsel and the Claimant. The Arbitrator's decision will be based on the written appeal record provided by the Claims Administrator.

6.7.6. If the Claimant is appealing from a decision of an offer of settlement benefits, the Arbitrator must choose to award the Claimant either the amount proposed by VW or Lead Class Counsel or the Claimant, but no other amount.

6.7.7. The Arbitrator's written decision shall be delivered in writing within thirty (30) days after the Arbitrator's receipt of the appeal record from the Claims Administrator. The Arbitrator's decision is final. The Arbitrator's decision may award costs to the Claimant only.

6.7.8. The Filing Fee shall be refunded if the Arbitrator finds in favour of the Claimant.

6.8 **Payment of Claims.** Payments of Claims made to Eligible Claimants may be made by cheque or, if offered by VW at its sole discretion and requested by an Eligible Claimant, electronic funds transfer.

6.9 **Reporting.** The Claims Administrator will prepare periodic reports on the progress and status of the Claims Program that will be provided to VW and Lead Class Counsel. Unless otherwise reasonably requested by VW or Lead Class Counsel, the Claims Administrator shall provide its first report one month after the commencement of the Claims Program, and every month thereafter for the next five (5) months, and every three (3) months thereafter. These reports will include information sufficient to allow VW and Lead Class Counsel to assess the Claims Program's

progress. When the Claims Program is concluded, the Claims Administrator must provide a Final Accounting Report to the Courts, VW and Lead Class Counsel. When the Claims Program is concluded, the Claims Administrator will also provide a report to VW and Lead Class Counsel concerning any cheques for payment of Claims that remain uncashed, as well as amounts, if any, owing to the *Fonds d'aide aux actions collectives* (the “**Fonds**”) as a result thereof in accordance with Section 7.4.

- 6.10 No materials submitted by any Claimant will be returned to such Claimant. The Claims Administrator shall be permitted to dispose of any materials submitted by a Claimant once it is determined that no appeal may be filed, the time limit for filing an appeal has expired or any appeal has been resolved.
- 6.11 Any personal information acquired as the result of this Settlement Agreement shall be used solely for purposes of evaluating and paying Claims under this Settlement Agreement. All information relating to the Claims Program and processing is confidential and proprietary and shall not be disclosed, except as necessary to the Claims Administrator, VW, Class Counsel, the Arbitrator and the Courts in accordance with the terms of this Settlement Agreement, and as required by legal process or by VW to comply with obligations to regulators in Canada. The Claims Administrator shall take security measures to prevent unauthorized access to personal information it obtains under this Settlement Agreement, as well

as to prevent the loss, destruction, falsification, and leakage of such personal information. VW shall respond immediately with appropriate measures when issues arise related to the confidentiality of a Settlement Class Member's information.

7. TRUST ACCOUNT AND CLAIMS PROGRAM PAYMENTS

- 7.1 The Trust Account shall be established by VW to be held and managed by the Trustee for the benefit of Eligible Claimants up to the date on which it is to be distributed pursuant to Section 7.6 or 7.7, provided that all interest generated annually on the assets of the Trust Account will accrue and be paid or payable to the benefit of VW, net of applicable taxes and the reasonable costs of administering the Trust Account.
- 7.2 Within five (5) days before the commencement of the Claims Period, VW shall fund the Trust Account (the "**Funding Amount**"). The initial Funding Amount shall be \$250,000,000.00 (the "**Initial Funding Amount**").
- 7.3 The Funding Amount may be adjusted from the Initial Funding Amount at such time as the total proportion of potential Eligible Vehicles in respect of which Claims have been paid and any appeals resolved (the "**Proportion**") reaches seventy percent (70%) (the "**Threshold**"). When the Proportion reaches the Threshold, the Funding Amount may be reduced by \$50,000,000.00 from the Initial Funding Amount to \$200,000,000.00. Thereafter, on a continuing basis until the Claims Period Deadline, the Funding Amount may be reduced by a further \$50,000,000.00 for each additional five percent (5%) increase in the

Proportion, except that the Funding Amount may not be reduced below \$100,000,000.00 at any time during the Claims Period.

- 7.4 Any cheques issued to Eligible Claimants shall become stale dated and non-negotiable no later than the sooner of six (6) months from the issuance of the cheque or six (6) months after the Claims Period Deadline. Stale dated and non-negotiable cheques, unless reissued and subsequently cashed, will constitute an unclaimed balance (the “**Balance**”) for distribution as set forth below. In no event shall VW have any obligation to reissue, or fund the Claim Administrator’s reissuance of, a cheque to an Eligible Claimant more than 6 (six) months following the Claims Period Deadline, and any right that an Eligible Claimant may have to receive a reissued cheque from VW or the Claims Administrator shall become extinguished at that time. No later than twelve (12) months following the Claims Period Deadline, the amount of the Balance will be calculated and the Fonds will be entitled to receive the percentage of the Balance resulting from stale dated and non-negotiable cheques issued to Eligible Claimants in the Québec Settlement Class, which percentage shall be determined in accordance with the *Regulation respecting the percentage withheld by the Fonds d’aide aux actions collectives*, chapter F-3.2.0.1.1, r. 2. Following the payment to the Fonds, VW and the Settlement Class Representatives, through Class Counsel, will make an application to the Courts to determine how the remaining amount of the Balance, if any, shall be distributed.

- 7.5 The Claims Administrator may reasonably request that the Trustee provide to the Claims Administrator, VW and Lead Class Counsel periodic reports on the status of the Trust Account.
- 7.6 Within thirty (30) days following the Claims Period Deadline, any amount remaining in the Trust Account, including all interest accrued, shall be distributed to VW, or as otherwise directed by VW, as the remainder beneficiary. All tax reporting and all taxes payable on any interest earned on the Trust Account shall be the responsibility of VW.
- 7.7 Subject to orders of the Courts pursuant to Section 14.4, in the event that the Settlement Agreement is terminated or invalidated for any reason prior to the Claims Period Deadline, any funds in the Trust Account, including any interest earned thereon, shall be distributed to VW after the payment of the expenses provided for in Section 13.7. All tax reporting and all taxes payable on any such interest that is distributed to VW shall be the responsibility of VW.

8. ARBITRATOR

- 8.1 The Arbitrator shall be selected by agreement of VW and Lead Class Counsel, and in the absence of such agreement, shall be appointed by the Courts.
- 8.2 In accordance with the terms of this Settlement Agreement, the Arbitrator shall have the power to make decisions resolving appeals, as set forth in Section 6.7, and any other matters if requested by agreement of VW and

Lead Class Counsel, including pursuant to Sections 9.6 and 13.2. The Arbitrator shall have a continuing obligation to be neutral and unbiased and shall inform VW and Lead Class Counsel in the event of any conflict of interest.

8.3 The Arbitrator shall be paid a reasonable hourly fee and reasonable disbursements, plus applicable taxes, by VW. Unrefunded Filing Fees shall be used to pay the Arbitrator's fees and expenses, and VW shall be responsible for any balance due to the Arbitrator after application of such amounts.

9. COOPERATION TO ANNOUNCE AND IMPLEMENT THE SETTLEMENT

9.1 The Parties will cooperate in the preparation of a joint press release announcing the Settlement Agreement. VW and Lead Class Counsel may consult with regulators regarding the preparation of this joint press release.

9.2 The Parties and their respective counsel will cooperate with each other, act in good faith and use commercially reasonable efforts to implement the Claims Program in accordance with the terms and conditions of this Settlement Agreement as soon as reasonably practicable after the Effective Date.

9.3 The Parties agree to make all reasonable efforts to ensure the timely and expeditious administration and implementation of the Settlement Agreement and to ensure that the costs and expenses incurred, including

the Claims Administration Expenses and expenses incurred by the Arbitrator to fulfil the Arbitrator's functions, are reasonable.

9.4 The Parties and their successors, assigns and counsel undertake to implement the terms of this Settlement Agreement in good faith, and to use good faith in resolving any disputes that may arise in the implementation of the terms of this Settlement Agreement. Counsel for VW and Lead Class Counsel shall, upon the request of the other, meet and confer by telephone to discuss the implementation of this Settlement Agreement and to attempt to resolve any issues raised by the Parties, Settlement Class Members or Claims Administrator.

9.5 The Parties reserve the right, subject to the Court's approval, to agree to any reasonable extensions of time that might be necessary to carry out any of the provisions of this Settlement Agreement.

9.6 In the event that the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement Agreement, or on any supplemental provisions that may become necessary to implement the terms of this Settlement Agreement, VW and Lead Class Counsel may seek the assistance of the Courts and / or, by agreement of VW and Lead Class Counsel, the Arbitrator, to resolve such matters.

10. NOTICE OF THE SETTLEMENT AGREEMENT

10.1 VW and Class Counsel agree that reasonable notice consistent with due process requirements shall be given to the Settlement Class pursuant to

orders of the Courts that so provide. To distribute such notice, VW and Class Counsel have agreed to engage the Notice Administrator to advise them with respect to the Notice Program. Settlement Class Notices shall include, but not be limited to, the dissemination of Pre-Approval Notice as set forth in Section 10.2. The Notice Program and mechanisms for distributing the Settlement Class Notices shall be subject to approval of the Courts.

- 10.2 **Pre-Approval Notice.** Summary notices in English and French, including through print media and Internet, shall be published in accordance with the directions of the Courts in their Pre-Approval Orders. Summary notices shall also be (a) e-mailed to all potential Settlement Class Members (i) for whom VW has a valid e-mail address, and (ii) who have contacted Class Counsel and provided an e-mail address; and (b) mailed, by prepaid regular mail, to all potential Settlement Class Members (i) for whom VW has only a valid mailing address, and (ii) who have contacted Class Counsel and provided only a mailing address as their contact information. These summary notices shall include details of where to access the Settlement Website on which English and French versions of a long-form notice shall be made available. The long-form notice shall: (a) state that the Settlement Agreement is contingent upon the Courts' Approval Orders; (b) advise potential Settlement Class Members that they may elect to opt out of the Settlement Class by submitting a written statement providing the information required by Section 11.3 to the Opt-Out / Objection Administrator no later than the Opt-Out Deadline;

(c) advise potential Settlement Class Members that they may object to the Settlement Agreement by submitting a written statement of objections clearly specifying the grounds for objection and providing the information required by Section 11.3 to the Opt-Out / Objection Administrator no later than the Objection Deadline; (d) advise that any Settlement Class Member may enter an appearance at the Settlement Approval Hearings, including through counsel of his or her choice, at his or her own expense; and (e) state that any Settlement Class Member who does not properly and timely give notice of his or her intention to opt out of the Settlement Class will be bound by the Approval Orders in the Actions, even if he or she has objected to the Settlement Agreement or has other claims pending against VW relating to the 2.0-Litre Diesel Matter.

- 10.3 All of the costs of the Settlement Class Notices (such as the costs of printing, mailing and postage) shall be paid by VW. VW shall have the right to monitor, inspect, and audit such costs.
- 10.4 The Notice Administrator shall, seven (7) days before the first scheduled Settlement Approval Hearing, serve on VW and Lead Class Counsel and file with the Courts proof, by affidavit, of the publications and mailings described in Section 10.2.
- 10.5 A Canadian toll-free Settlement Phone Number shall be included in the Settlement Class Notices. The Claims Administrator shall manage a call centre for the Settlement Phone Number which potential Settlement Class Members can call to receive information in English and French about

(among other things) (a) the Settlement Agreement, including information about eligibility for benefits; (b) obtaining the long-form notice of this Settlement Agreement described in Section 10.2 or any other materials described in this Section; (c) the Opt-Out Deadline and Objection Deadline; (d) submitting a Claim; and (e) the dates of relevant Court proceedings, including the Settlement Approval Hearings. The costs associated with maintaining the Settlement Phone Number shall be paid by VW.

10.6 **Settlement Website.** If Pre-Approval Orders are granted by the Courts, VW and Class Counsel shall promptly thereafter cause public Internet websites in English (www.VWCanadaSettlement.ca) and French (www.ReglementVW.ca) concerning the Settlement Agreement to be established. The websites shall be maintained during the Claims Period. The Internet addresses of the websites shall be included in published and delivered notices. The websites shall provide information in English and French about the Settlement Agreement, including (a) the Opt-Out Deadline, the Objection Deadline, submitting a Claim and the dates of relevant Court proceedings, including the Settlement Approval Hearings; (b) the Settlement Phone Number; (c) copies of the Settlement Agreement with signatures redacted, Pre-Approval Notice and other Settlement Class Notices, and Claim Form; and (d) the VIN Look-Up, Eligibility Checker and a description of the benefits available to Eligible Claimants, including, as applicable, Damages Payments and approximate and potential ranges of Vehicle Values for Eligible Vehicles by brand, model and model year. The

Settlement Website will be functional and accessible on the Pre-Approval Notice Date, except that the Settlement Website will provide access to the Claims Portal no later than the beginning of the Claims Period. The costs associated with establishing and maintaining the websites shall be paid by VW.

11. SETTLEMENT CLASS MEMBERS' RIGHT TO OPT OUT AND OBJECT

11.1 The Courts will appoint the Opt-Out / Objection Administrator to receive any written elections to opt out of the Settlement Class and objections to the Settlement Agreement.

11.2 Elections to opt out of the Settlement Class and objections to the Settlement Agreement must be received by the Opt-Out / Objection Administrator by mail, courier or e-mail on or before the Opt-Out Deadline or Objection Deadline, as applicable:

By mail or courier to: Volkswagen Class Action Administration
P.O. Box 7071
31 Adelaide Street East
Toronto, ON M5C 3H2

By e-mail to: vw@ricepoint.com

11.3 All written elections to opt out of the Settlement Class and objections to the Settlement Agreement shall be personally signed by the potential Settlement Class Member and shall include the following:

11.3.1. The potential Settlement Class Member's name, mailing address, telephone number and e-mail address (if applicable);

- 11.3.2. The brand, model, model year and VIN of the proposed Eligible Vehicle;
 - 11.3.3. A statement that the potential Settlement Class Member elects to be excluded from the Settlement Class, or a brief statement of the nature of and reason for the objection to the Settlement Agreement, as applicable;
 - 11.3.4. If the potential Settlement Class Member elects to be excluded from the Settlement Class, a copy of his, her or its Proof Of Ownership; and
 - 11.3.5. If objecting to the Settlement Agreement, whether the potential Settlement Class Member intends to appear in person or by counsel at the Settlement Approval Hearing in Toronto, Ontario or the Settlement Approval Hearing in Montréal, Québec, and if appearing by counsel, the name, address, telephone number and e-mail address of counsel.
- 11.4 Notwithstanding Section 11.3, if potential Settlement Class Members are deceased, a minor or otherwise incapable of making their own written objection to the Settlement Agreement, the information required by Section 11.3 must be provided along with the contact information of the person acting on behalf of the potential Settlement Class Member, together with a copy of the power of attorney, court order or other authorization serving as the proposed basis for permitting such person to

represent the potential Settlement Class Member. A power of attorney will not be recognized as valid by the Opt-Out / Objection Administrator in the place of a signature of a potential Settlement Class Member, except in the circumstances set out in this Section.

11.5 Potential Settlement Class Members who elect to opt out of the Settlement Class may re-elect in writing to become potential Settlement Class Members, if their re-election request is received by the Opt-Out / Objection Administrator on or before the Opt-Out Deadline or, thereafter, only by order of the applicable Court depending on whether they claim to be potential members of the National Settlement Class or the Québec Settlement Class.

11.6 Any potential Settlement Class Member who elects to opt out of the Settlement Class may not also object to the Settlement Agreement, subject to Section 11.5. If a potential Settlement Class Member elects to opt out of the Settlement Class and objects to the Settlement Agreement, the opt out election shall supersede the objection and the objection shall be deemed withdrawn.

11.7 **Consequences of Failure to Opt Out in a Timely and Proper Manner.**

All Settlement Class Members who do not timely and properly opt out of the Settlement Class will, in all respects, be bound as of the Effective Date by all terms of this Settlement Agreement, as approved by the Approval Orders.

- 11.8 The Opt-Out / Objection Administrator will provide copies of all opt-out elections and objections to VW and Lead Class Counsel within three (3) days after their receipt. Wherever reasonably possible, such copies shall be provided in electronic form and in a manner that minimizes the Opt-Out / Objection Expenses.
- 11.9 The Opt-Out / Objection Administrator shall, seven (7) days before the first scheduled Settlement Approval Hearing, serve on VW and Lead Class Counsel and file with the Courts an affidavit reporting on the number of opt-out elections and re-elections received on or before the Opt-Out Deadline, and compiling all of the written objections received on or before the Objection Deadline.
- 11.10 VW will have the unilateral right, but not the obligation, to terminate the Settlement Agreement in the event that Settlement Class Members, who validly opt out of the Settlement Agreement by the Opt-Out Deadline, meet the conditions set forth in a confidential supplemental agreement (the “**Supplemental Agreement**”) between the Parties. The Supplemental Agreement, which is being executed concurrently with this Settlement Agreement, shall not be filed with the Courts and its terms shall not be disclosed in any other manner (other than the statements herein and in the Pre-Approval Notice, to the extent necessary, or as otherwise provided in the Supplemental Agreement), unless and until a Court otherwise directs or a dispute arises between the Parties concerning its interpretation or application. If submission of the Supplemental

Agreement is required for resolution of a dispute or is otherwise ordered by a Court, the Parties will make their best efforts to have the Supplemental Agreement submitted to the Court *in camera* or filed under seal. VW shall advise the Courts and Lead Class Counsel, in writing, of any election under this Section within three (3) days after receiving the affidavit of the Opt-Out / Objection Administrator referred to in Section 11.9. In such event, the Settlement Agreement may not be offered or received into evidence or utilized for any other purpose in the Actions or in any other action, suit or proceeding.

12. CLASS COUNSEL FEES AND PAYMENTS TO CLASS REPRESENTATIVES

12.1 Class Counsel Fees and Expenses. VW agrees to pay Counsel Fees that will become payable within thirty (30) days following the later of (a) the date when the Courts' orders on Counsel Fees to be paid by VW in the Quenneville Action and Option consommateurs Action become final and non-appealable; and (b) the date when the Courts' Approval Orders in the Actions become final and non-appealable. To the extent of the amount of Counsel Fees approved by the Courts or on appeal therefrom, VW will not receive credit for such amounts against obligations to Settlement Class Members under this Settlement Agreement and the Courts' Approval Orders in the Actions. It is further acknowledged as follows:

12.1.1. VW and Class Counsel have not discussed Counsel Fees prior to agreement on the terms of this Settlement Agreement.

Recognizing Class Counsel's continuing obligation to cooperate as set forth in Section 14.1, VW and Class Counsel may attempt to negotiate the amount of Counsel Fees after the execution of either this Settlement Agreement, or this Settlement Agreement and any settlement agreement that may be reached in the Actions relating to claims involving Volkswagen- and Audi-brand vehicles with 3.0-litre diesel engines.

12.1.2. If VW and Class Counsel reach an agreement on the amount of Counsel Fees, Class Counsel except Belleau Lapointe LLP will submit the negotiated amount for approval to the Ontario Superior Court of Justice in the Quenneville Action, and Belleau Lapointe LLP will submit the negotiated amount for approval to the Superior Court of Québec in the Option consommateurs Action. VW reserves the right to challenge any request by Class Counsel for an award of counsel fees and costs that exceeds any negotiated amount of Counsel Fees that VW has agreed to pay.

12.1.3. If VW and Class Counsel do not reach an agreement as to the amount of Counsel Fees, Class Counsel will bring motions for a determination by the Ontario Superior Court of Justice in the Quenneville Action and the Superior Court of Québec in the Option consommateurs Action of the issue of Counsel Fees. VW and Class Counsel shall not object to the other's use or introduction of materials and submissions related to the issue of

Counsel Fees from either Action. Neither shall Class Counsel object to any request by VW for coordination between the Courts on the motions, consistent with the Canadian Judicial Protocol for the Management of Multi-Jurisdictional Class Actions. VW and Class Counsel agree that the Ontario Superior Court of Justice will have exclusive jurisdiction on the portion of Counsel Fees to be paid to Class Counsel except Belleau Lapointe LLP in the Quenneville Action, and the Superior Court of Québec will have exclusive jurisdiction on the portion of Counsel Fees to be paid to Belleau Lapointe LLP only in the Option consommateurs Action. Class Counsel except Belleau Lapointe LLP in the Quenneville Action shall not intervene in the motion to determine the portion of Counsel Fees to be paid in the Option consommateurs Action, and Belleau Lapointe LLP shall not intervene in the motion to determine the portion of Counsel Fees to be paid in the Quenneville Action.

- 12.1.4. Class Counsel will not seek additional counsel fees and costs after the Courts make their respective awards as to the amount of Counsel Fees; however, VW and Class Counsel shall have the right to appeal from such orders. VW reserves all rights to object to an award of Counsel Fees beyond what VW believes to be reasonable. Class Counsel reserve all rights to object to an award of Counsel Fees that they do not believe to be reasonable.

12.2 **Honorarium.** VW and Class Counsel except Belleau Lapointe LLP may confer on a reasonable honorarium in a total amount not to exceed \$50,000.00 to be paid by VW to the Related Action Plaintiffs and Settlement Class Representatives, except Option consommateurs. If no agreement is reached, Class Counsel except Belleau Lapointe LLP may ask the Court in the Quenneville Action to approve a reasonable honorarium not to exceed \$50,000.00. The payment of any reasonable honorarium shall be in addition to the compensation provided to Settlement Class Members under this Settlement Agreement. VW agrees that, subject to a Court order in the Quenneville Action, any honorarium will only become payable (in a determined amount) within thirty (30) days following the later of (a) the effective date of an agreement between VW and Class Counsel except Belleau Lapointe LLP on a reasonable honorarium, or the date when the Court's order on a reasonable honorarium becomes final and non-appealable; and (b) the date when the Courts' Approval Orders in the Actions become final and non-appealable.

13. MODIFICATION OR TERMINATION OF THE SETTLEMENT AGREEMENT

13.1 The terms and provisions of this Settlement Agreement may be amended, modified or expanded by written agreement of the Parties and approval of the Courts provided, however, that after entry of the Approval Orders, the Parties may by written agreement effect such amendments, modifications or expansions of this Settlement Agreement and its implementing documents (including all schedules and exhibits hereto) without further notice to the Settlement Class or approval by the Courts if such changes

are consistent with the Approval Orders and do not limit the rights of Settlement Class Members under this Settlement Agreement.

- 13.2 Any unintended conflicts within the Settlement Agreement shall not be held against any of the Parties, but shall instead be resolved by agreement of the Parties with, if necessary, the aid of the Courts and / or, by agreement of VW and Lead Class Counsel, the Arbitrator.
- 13.3 This Settlement Agreement shall terminate at the discretion of either VW or the Settlement Class Representatives, through Class Counsel, if: (a) a Court, or any appellate court therefrom, rejects, modifies or denies approval of any portion of this Settlement Agreement (with the exception of the timing of the Settlement Class Notices, Opt-Out Deadline or Objection Deadline); or (b) a Court, or any appellate court therefrom, does not enter or completely affirm, or alters, narrows or expands, any portion of an Approval Order (with the exception of the timing of the Settlement Class Notices, Opt-Out Deadline or Objection Deadline). The terminating party must exercise the option to withdraw from and terminate this Settlement Agreement, as provided in this Section, in writing served on the other party no later than twenty (20) days after receiving notice of the event prompting the termination. If the Settlement Agreement is terminated pursuant to this Section, the Parties will be returned to their positions *status quo ante* with respect to the Actions as if the Settlement Agreement had not been entered into.

13.4 If an option to withdraw from and terminate this Settlement Agreement arises under Section 13.3 above, neither VW nor Settlement Class Representatives are required for any reason or under any circumstance to exercise that option and any exercise of that option shall be in good faith.

13.5 If, but only if, this Settlement Agreement is terminated pursuant to Section 13.3, then:

13.5.1. This Settlement Agreement, including the Settlement Class Release, shall be null and void and shall have no force or effect, and no Party to this Settlement Agreement shall be bound by any of its terms, except for the terms of Sections 3.2, 3.5, 5.7, 5.16, 5.17, 6.11, 7.7, 13.5, 13.6, 13.7 and 15.5, and the definitions and any exhibits and schedules applicable thereto;

13.5.2. All of the provisions of this Settlement Agreement, and all negotiations, statements and proceedings relating to it, shall be without prejudice to the rights of VW, the Settlement Class Representatives, the Related Action Plaintiffs or any Settlement Class Member, all of whom shall be restored to their respective positions existing immediately before the execution of this Settlement Agreement, except that the Parties shall cooperate in requesting that the Courts set a new scheduling order such that no Party's substantive or procedural rights in the Actions are prejudiced by the settlement negotiations and proceedings;

- 13.5.3. The Released Parties expressly and affirmatively reserve all defences, arguments and motions as to all claims that have been or might later be asserted in the Actions, including, without limitation, the argument that the Actions may not be litigated as class actions;
- 13.5.4. The Settlement Class Representatives, the Related Action Plaintiffs and all Settlement Class Members, on behalf of themselves and their heirs, assigns, executors, administrators, predecessors and successors, expressly and affirmatively reserve and do not waive all motions as to, and arguments in support of, all claims, causes of action or remedies that have been or might later be asserted in the Actions including, without limitation, any argument concerning class certification / authorization, liability or damages;
- 13.5.5. VW expressly and affirmatively reserves and does not waive all motions and positions as to, and arguments in support of, all defences to the causes of action or remedies that have been sought or might be later asserted in the Actions, including without limitation, any argument or position opposing class certification / authorization, liability, damages or injunctive relief;
- 13.5.6. Neither this Settlement Agreement, the fact of its having been entered into, nor the negotiations leading to it shall be admissible or entered into evidence for any purpose whatsoever; and

- 13.5.7. Any settlement-related order(s) or judgment(s) entered in the Actions after the date of execution of this Settlement Agreement shall be deemed vacated and shall be without any force or effect.
- 13.6 If a Settlement Class Member has (a) received compensation under the Settlement Agreement prior to its termination or invalidation, and (b) executed and delivered an Individual Release, such a Settlement Class Member and VW shall be bound by the terms of the Individual Release, which terms shall survive termination or invalidation of the Settlement Agreement for any reason.
- 13.7 VW will pay all reasonable and necessary Claims Administration Expenses, Notice Expenses, Opt-Out / Objection Expenses, translation costs and, subject to Section 8.3, Arbitrator costs, whether or not the Settlement Agreement is approved and / or terminated, except that if terminated, VW shall bear any such costs in connection with the implementation of this Settlement Agreement up until its termination.
- 13.8 Notwithstanding Section 13.5, if the Settlement Agreement is terminated before payment of Counsel Fees is made pursuant to Section 12.1, and if some of the Settlement Class Members receive compensation from VW under this Settlement Agreement prior to its termination, Class Counsel are entitled to bring motions for a portion of Counsel Fees based upon the compensation received by those Settlement Class Members, which motions will be determined by the Ontario Superior Court of Justice in the

Quenneville Action and the Superior Court of Québec in the Option consommateurs Action. It is further acknowledged as follows:

13.8.1. VW and Class Counsel shall not object to the other's use or introduction of materials and submissions related to the issue of Counsel Fees from either Action. In addition, Class Counsel shall not object to any request by VW for coordination between the Courts on the motions, consistent with the Canadian Judicial Protocol for the Management of Multi-Jurisdictional Class Actions. VW and Class Counsel agree that the Ontario Superior Court of Justice will have exclusive jurisdiction on the portion of Counsel Fees to be paid to Class Counsel except Belleau Lapointe LLP in the Quenneville Action, and the Superior Court of Québec will have exclusive jurisdiction on the portion of Counsel Fees to be paid to Belleau Lapointe LLP only in the Option consommateurs Action. Class Counsel except Belleau Lapointe LLP in the Quenneville Action shall not intervene in the motion to determine the portion of Counsel Fees to be paid in the Option consommateurs Action, and Belleau Lapointe LLP shall not intervene in the motion to determine the portion of Counsel Fees to be paid in the Quenneville Action.

13.8.2. Class Counsel will not seek additional counsel fees and costs after the Courts make their respective awards as to the amount of Counsel Fees; however, VW and Class Counsel shall have the

right to appeal from such orders. VW reserves all rights to object to an award of Counsel Fees beyond what VW believes to be reasonable. Class Counsel reserve all rights to object to an award of Counsel Fees that they do not believe to be reasonable.

13.8.3. VW and Class Counsel may confer and reach agreement on an amount to be paid by VW at any point up to the time the Courts issue their respective decisions on the motions.

13.8.4. If VW and Class Counsel reach an agreement, Class Counsel except Belleau Lapointe LLP will submit the negotiated amount for approval to the Ontario Superior Court of Justice in the Quenneville Action, and Belleau Lapointe LLP will submit the negotiated amount for approval to the Superior Court of Québec in the Option consommateurs Action. VW reserves the right to challenge any request by Class Counsel for an award of counsel fees and costs that exceeds any negotiated amount of Counsel Fees that VW has agreed to pay.

13.9 If this Settlement Agreement is terminated for any reason other than pursuant to Section 13.3, the provisions of Sections 3.2, 3.5, 5.7, 5.16, 5.17, 6.11, 7.7, 13.6, 13.7, 13.8, 14.2, 14.3, 14.4, 15.5 and this Section, and the definitions and any exhibits and schedules applicable thereto, shall survive the termination and continue in full force and effect. All other provisions of this Settlement Agreement and all other obligations pursuant to this Settlement Agreement shall cease immediately.

14. TERMINATION OF CLASS ACTIONS, JURISDICTION OF THE COURTS

14.1 Approval Orders in the Actions will be sought from the Ontario Superior Court of Justice and the Superior Court of Québec. Class Counsel except Belleau Lapointe LLP will take such reasonable steps as are necessary to give effect to the Settlement Agreement and to bring an end to, without costs, without reservation and, where available, with prejudice, all Released Claims by any Settlement Class Member in the pending litigation listed in Schedule “F”. Class Counsel will further cooperate with VW’s efforts to give effect to the Settlement Agreement and to bring an end to, without costs, without reservation and, where available, with prejudice, all Released Claims by any Settlement Class Member in the pending litigation listed in Schedule “G” and in any future litigation; however, as to the litigation listed in Schedule “G” that is pending in Québec, Belleau Lapointe LLP shall so cooperate to bring an end to all Released Claims by any Settlement Class Member in that litigation when the Option consommateurs Action is finally determined and brought to an end, and, in the interim, Class Counsel shall not take any actions inconsistent with these cooperation obligations. The Parties agree that the conclusions of litigations set out in this Section shall not alter, negate or otherwise have any impact or effect on the Settlement Class Release or Individual Releases.

14.2 **Courts’ Ongoing and Exclusive Jurisdiction.** The Courts shall retain ongoing and exclusive jurisdiction over the Action commenced in their jurisdiction in order to resolve any dispute or other matters that may arise

in the implementation of the Settlement Agreement (including with respect to Counsel Fees) or their Approval Order. For clarity, the Courts shall retain jurisdiction to resolve any dispute that may arise in relation to the Action commenced in their jurisdiction, including any dispute regarding the validity, performance, interpretation, administration, enforcement, enforceability or termination of the Settlement Agreement and no Party shall oppose the reopening and reinstatement of an Action for the purposes of giving effect to this Section. No Party shall ask a Court to make any order or give a direction in respect of any matter of shared jurisdiction unless that order or direction is conditional upon a complementary order or direction being made or given by the other Court with which it shares jurisdiction over that matter.

14.3 If one Party to this Settlement Agreement considers another Party to be in material breach of its obligations under this Settlement Agreement, that Party must provide the breaching Party with written notice of the alleged material breach and provide a reasonable opportunity to cure such breach before taking any action to enforce any rights under this Settlement Agreement.

14.4 If, after the expiration of any cure period as specified in Section 14.3, VW and the Settlement Class Representatives, through Class Counsel, disagree whether there has been a default in payment of the Trust Account and / or Operating Account by VW that has failed to be cured in a timely manner (regardless of the cause for disagreement or non-payment),

then the Settlement Class Representatives, through Class Counsel, shall, subject to Section 14.2, have the right to move the Courts to terminate the Settlement Agreement. If, as a result of rulings by the Courts, VW is found to have failed to fund the Trust Account and / or Operating Account and that such failure to fund was not as a result of a good faith disagreement concerning whether VW materially breached and failed to cure in a timely manner payment obligations, then the Settlement Class Representatives, through Class Counsel, shall have the right, but not the obligation, to terminate this Settlement Agreement upon thirty (30) days' notice if during such notice period the breach is not fully cured. The termination provisions of this Section shall not apply if there is a good faith dispute between VW and the Settlement Class Representatives about the amounts due, even if the Courts should find that VW owes additional amounts as a result of that good faith dispute.

14.5 In the event any one or more of the provisions contained in this Settlement Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision if the Parties agree in writing to proceed as if such invalid, illegal or unenforceable provision had never been included in this Settlement Agreement. Any such agreement shall be reviewed and approved by the Courts before it becomes effective.

14.6 Notwithstanding Section 14.2, any matter specifically related to the Claim of a member of the National Settlement Class shall be determined by the

Ontario Superior Court of Justice, and any matter specifically related to the Claim of a member of the Québec Settlement Class shall be determined by the Superior Court of Québec.

15. OTHER TERMS AND CONDITIONS

- 15.1 This Settlement Agreement shall be binding upon, and enure to the benefit of VW, the Settlement Class Representatives, the Related Action Plaintiffs and all Settlement Class Members, and their respective agents, heirs, executors, administrators, successors, transferees and assigns.
- 15.2 Class Counsel represent that (a) Class Counsel are authorized by the Settlement Class Representatives and the Related Action Plaintiffs to enter into this Settlement Agreement; and (b) Class Counsel are seeking to protect the interests of the Settlement Class.
- 15.3 The waiver by one Party of any breach of this Settlement Agreement by another Party shall not be deemed a waiver of any prior or subsequent breach of this Settlement Agreement.
- 15.4 All time periods in this Settlement Agreement shall be computed in calendar days unless expressly provided otherwise. Also, unless otherwise provided in this Settlement Agreement, in computing any period of time in this Settlement Agreement or by order of a Court, the day of the act or event shall not be included, and the last day of the period shall be included, unless it is a Saturday, a Sunday or a Canadian statutory holiday, or, when the act to be done is a court filing, a day on which the

court is closed, in which case the period shall run until the end of the next day that is not one of the aforementioned days.

15.5 The Parties agree that confidential information made available to them solely through the settlement process was made available on the condition that it not be disclosed to third-parties (other than as provided by the Confidentiality Order). Information provided by VW, Class Counsel, any individual Settlement Class Member or counsel for any individual Settlement Class Member pursuant to the negotiation and implementation of this Settlement Agreement, including trade secrets and highly confidential and proprietary business information, shall continue to be treated as confidential "Settlement Materials or Communications" within the meaning of the Confidentiality Order and shall be subject to all of the provisions thereof. Any materials inadvertently produced shall, upon VW's request, be promptly returned to VW's counsel, and there shall be no implied or express waiver of any privileges, rights and defences.

15.6 This Settlement Agreement sets forth the entire agreement among the Parties with respect to its subject matter. Any agreement purporting to change or modify the terms of this Settlement Agreement must be executed by VW and Lead Class Counsel. The Parties expressly acknowledge that no other agreements, arrangements or understandings not expressed in this Settlement Agreement exist among or between them, and that in deciding to enter into this Settlement Agreement, they have relied solely upon their own judgment and knowledge. This

Settlement Agreement supersedes any prior agreements, understandings, or undertakings (written or oral) by and between the Parties regarding the subject matter of this Settlement Agreement.

- 15.7 In Québec, the Settlement Agreement constitutes a transaction within the meaning of Article 2631 and following of the *Civil Code of Québec*, and the Parties are hereby renouncing to any errors of fact, of law and / or of calculation.
- 15.8 The Parties acknowledge that they have required and consented that this Settlement Agreement and all related documents be prepared in English; les parties reconnaissent avoir exigé que la présente convention et tous les documents connexes soient rédigés en anglais. A French translation of this Settlement Agreement will be prepared immediately after its execution, at the reasonable expense of VW, and filed with the Courts no later than the date that their Pre-Approval Order is granted. The Parties agree that such translation is for convenience only. In the event of any dispute as to the interpretation of this Settlement Agreement, the English language version shall govern.
- 15.9 Whenever this Settlement Agreement requires or contemplates that one of the Parties shall or may give notice to the other, notice shall be provided by e-mail and / or next-day (excluding Saturdays, Sundays and Canadian statutory holidays) express delivery service as follows:

If to VW, then to:

Cheryl Woodin
BORDEN LADNER GERVAIS LLP
22 Adelaide Street West
Bay Adelaide Centre, East Tower
Toronto, ON M5H 4E3
E-mail: cwoodin@blg.com

AND

Robert Bell
LERNERS LLP
130 Adelaide Street West
Suite 2400
Toronto, ON M5H 3P5
E-mail: rbell@lernalers.ca

If to the Settlement Class, then to Lead Class Counsel as follows:

Harvey T. Strosberg, Q.C.
SUTTS, STROSBERG LLP
600 – 251 Goyeau Street
Windsor, ON N9A 6V4
E-mail: harvey@strosbergco.com

AND

Charles M. Wright
SISKINDS LLP
680 Waterloo Street
London, ON N6A 3V8
E-mail: charles.wright@siskinds.com

AND

Daniel Belleau
BELLEAU LAPOINTE LLP
306 D'Youville Place (B-10)
Montréal, QC H2Y 2B6
E-mail: dbelleau@belleaulapointe.com

15.10 The Settlement Class, Settlement Class Representatives, Related Action Plaintiffs and / or VW shall not be deemed to be the drafter of this Settlement Agreement or of any particular provision, nor shall they argue

that any particular provision should be construed against its drafter. All Parties agree that this Settlement Agreement was drafted by counsel for the Parties during extensive arm's-length negotiations. No parol or other evidence may be offered to explain, construe, contradict or clarify its terms, the intent of the Parties or their counsel, or the circumstances under which this Settlement Agreement was made or executed.

15.11 The division of this Settlement Agreement into sections and the insertion of topic and section headings are for convenience of reference only and shall not affect the construction or interpretation of this Settlement Agreement.


15.12 The Parties agree that the Settlement Agreement was reached voluntarily after consultation with competent legal counsel.

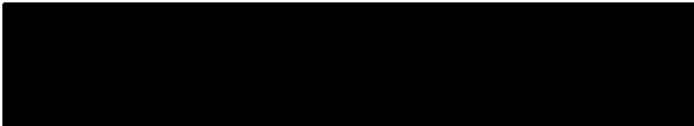
15.13 This Settlement Agreement, including the Individual Release, shall be governed by and construed and interpreted in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein, without regard to any conflict of law rule or principle that would mandate or permit application of the substantive law of any other jurisdiction.

15.14 This Settlement Agreement may be signed with an electronic signature and in counterparts, each of which shall constitute a duplicate original.

15.15 The Parties have executed this Settlement Agreement as of the date on the cover page.


Counsel for DAVID BLACKMORE, THEODORE CHARNISH, CHARLES CRAIK, MARLIE DEMONTIGNY, AMY FITZGERALD, THERESE H. GADOURY, JOSEPH GARD, MANDY GIROUX, QUINN HANSON, RON G. HUNTER, RENEE JAMES, JAMES JENKINS, DENIS JOLICOEUR, LAURA JOLICOEUR, ROY LOOYENGA, JAY MACDONALD, CHARLES MACKENZIE, JONATHAN MARTIN, JACK MASTROMATTEI, JOYCE MCPHERSON, LLOYD MEEHAN, SARAH MEEHAN, BRIAN MITCHELL-WALKER, MICHAEL JOSEPH PARE, MATTHEW ROBERT QUENNEVILLE, TREVOR RENNER, JOHN SMITH, LUCIANO TAURO, AL-NOOR WISSANJI and 1006123 B.C. LTD. DBA BLITZKRIEG MOTORCARS

By: 
Harvey T. Strosberg, Q.C.
SUTTS, STROSBERG LLP
600 – 251 Goyeau Street
Windsor, ON N9A 6V4
E-mail: harvey@strosbergco.com

By: 
Charles M. Wright
SISKINDS LLP
680 Waterloo Street
London, ON N6A 3V8
E-mail: charles.wright@siskinds.com

Counsel for OPTION CONSOMMATEURS

By:



Daniel Belleau
BELLEAU LAPOINTE LLP
306 D'Youville Place (B-10)
Montréal, QC H2Y 2B6
E-mail: dbelleau@belleaulapointe.com

VOLKSWAGEN AKTIENGESELLSCHAFT

By:

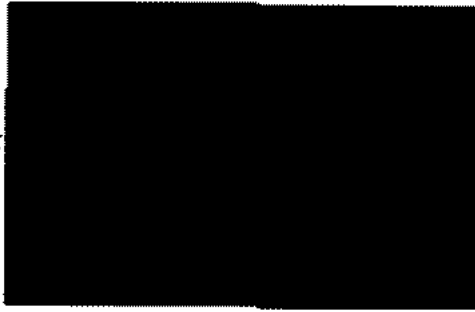


By:



AUDI AKTIENGESELLSCHAFT

By:

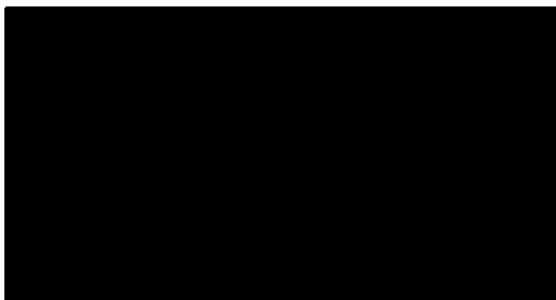


By:

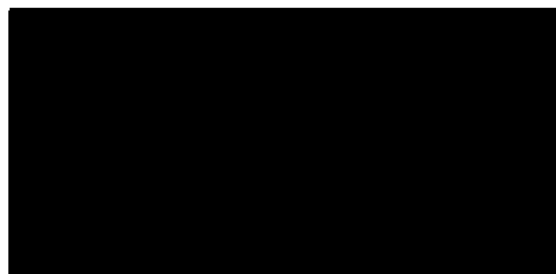


VOLKSWAGEN GROUP OF AMERICA, INC.

By:



By:

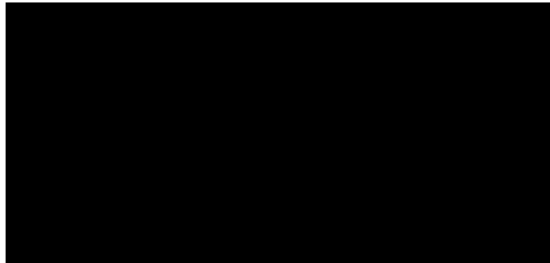


VOLKSWAGEN GROUP OF AMERICA, INC.

By:



By:



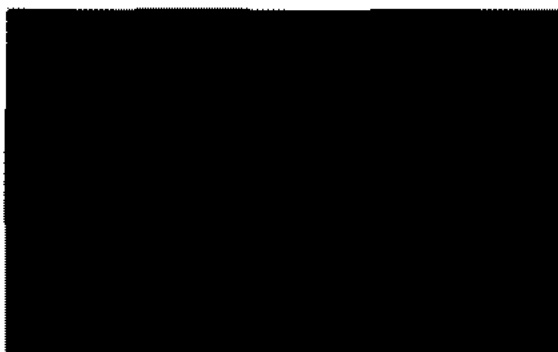
VOLKSWAGEN GROUP CANADA INC.

By:



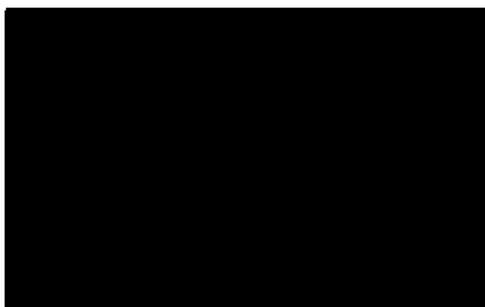
AUDI CANADA INC.

By:



VW CREDIT CANADA, INC.

By:



Counsel for VOLKSWAGEN AKTIENGESELLSCHAFT,
AUDI AKTIENGESELLSCHAFT, VOLKSWAGEN GROUP OF AMERICA, INC.,
VOLKSWAGEN GROUP CANADA INC., AUDI CANADA INC. and
VW CREDIT CANADA, INC.

By: 

Cheryl Woodin
BORDEN LADNER GERVAIS LLP
22 Adelaide Street West
Bay Adelaide Centre, East Tower
Toronto, ON M5H 4E3
E-mail: cwoodin@blg.com

By: _____

Robert Bell
LERNERS LLP
130 Adelaide Street West
Suite 2400
Toronto, ON M5H 3P5
E-mail: rbell@lernalers.ca

Counsel for VOLKSWAGEN AKTIENGESELLSCHAFT,
AUDI AKTIENGESELLSCHAFT, VOLKSWAGEN GROUP OF AMERICA, INC.,
VOLKSWAGEN GROUP CANADA INC., AUDI CANADA INC. and
VW CREDIT CANADA, INC.

By: _____

Cheryl Woodin
BORDEN LADNER GERVAIS LLP
22 Adelaide Street West
Bay Adelaide Centre, East Tower
Toronto, ON M5H 4E3
E-mail: cwoodin@blg.com

By: _____

Robert Bell
LERNERS LLP
130 Adelaide Street West
Suite 2400
Toronto, ON M5H 3P5
E-mail: rbell@lernalers.ca

Exhibit 1

Settlement Program Summary

EXHIBIT “1”

Settlement Program Summary

This Exhibit is presented for informational purposes only.

This Exhibit does not deal with all circumstances in which benefits may be available, or the amounts of all benefits. The Settlement Agreement should be consulted for the complete terms and conditions. In the event of any inconsistency between this Exhibit and the Settlement Agreement, the Settlement Agreement will govern.

Unless otherwise provided in this Exhibit, capitalized terms have the same meaning as set forth in the Settlement Agreement, and all amounts referred to are in Canadian dollars.

For more information, visit www.VWCanadaSettlement.ca or call the Claims Administrator at 1-888-670-4773.

SETTLEMENT PROGRAM SUMMARY

This Exhibit provides a summary of some of the benefits under the Settlement Agreement that Settlement Class Members may receive if they are Eligible Claimants. The types of payment and benefits available will depend on whether an Eligible Claimant falls under the claimant category: Eligible Owner, Eligible Seller, Eligible Purchaser or Eligible Lessee. This is further illustrated by the examples in Part E of this Exhibit. Benefits are available only to those Settlement Class Members who do not opt out of the Settlement Agreement, timely and properly submit a Claim and obtain their eligible benefits before the end of the Claims Period.

A. ELIGIBLE CLAIMANTS

1. Eligible Owners

a) Eligible Owners who choose:

- i. Buyback will receive a payment for the sum of:

Vehicle Value + Owner Damages Payment

-or-

- ii. Trade-In will have all or a portion of their vehicle's Fair Market Value at the time of the Trade-In applied towards the purchase price of a new or used Volkswagen or Audi vehicle, and will receive a payment for the sum of:

(Vehicle Value – portion of Fair Market Value used for trade in) + Owner Damages Payment

-or-

- iii. Approved Emissions Modification will receive the Approved Emissions Modification Extended Warranty, and are eligible to receive the Owner Damages Payment, when they complete the Approved Emissions Modification.

b) **Lien and Debt Obligations.** To receive a Buyback or Trade-In, Eligible Owners must arrange to resolve any outstanding Loan Obligations and unpaid Québec traffic tickets and fines on their vehicle before it is surrendered.

- i. **Loan Obligations.** For Eligible Owners who have a Loan Obligation on their vehicle, arrangements must be made to satisfy the Loan Obligation in full in order to complete a Buyback or Trade-In. To assist with this process, VW will make payments out of Eligible Claimants' benefits directly to their lenders towards satisfaction of a Loan Obligation if directed to do so. In the case of a Buyback, some or all of the Vehicle Value and Owner Damages Payment may be paid by

VW to lenders. In the case of a Trade-In, some or all of Vehicle Value, less the portion of the Fair Market Value applied for the Trade-In, and Owner Damages Payment may be paid by VW to lenders. In either case, in order to receive a Buyback or Trade-In, an Eligible Owner is responsible for payment of any balance of a Loan Obligation remaining after any payments made by VW. Alternatively, Eligible Owners may pay off all or portion of their Loan Obligation independently, in which case the amount of their takeaway payment will increase accordingly.

- ii. **Loan Forgiveness.** In the event that there is no Approved Emissions Modification by June 15, 2017, where a Loan Obligation exceeds the sum of the Vehicle Value and Owner Damages Payment, the Eligible Owner will qualify for a Loan Forgiveness payment up to a maximum of 30% of this sum, payable towards satisfaction of the Loan Obligation, with certain exceptions set forth in the Settlement Agreement. Loan Forgiveness is only payable towards satisfaction of the portion of a Loan Obligation exceeding the sum of the Vehicle Value and Owner Damages Payment. If the Loan Forgiveness payment is not sufficient to satisfy the Loan Obligation, the Eligible Owner must arrange to resolve any remaining balance in order to receive a Buyback or Trade-In.
- c) **Vehicle Value.** A vehicle's Vehicle Value for a Buyback or Trade-In will be determined from the CBB Wholesale Category applicable to a vehicle based on its current mileage ("Current Mileage") no more than twenty (20) days before it is surrendered to a Volkswagen or Audi dealer (the "Surrender Proxy Date"), provided that, when the vehicle is actually surrendered, its mileage is within the Allowance from the Current Mileage set forth in Schedule "B".

For those vehicles whose Current Mileage places them in the highest mileage CBB Wholesale Category, their Vehicle Value will be further determined by establishing by calculation their mileage as of September 18, 2015.

First, an average number of daily kilometres (km) driven during the period from the vehicle's Original In Service Date to the Surrender Proxy Date (the "**Average Daily KM Rate**") will be determined using the following formula:

$$\frac{\text{Current Mileage}}{(\text{Days from Original In Service Date to Surrender Proxy Date})}$$

For example, an Eligible Owner chooses the Buyback and makes an appointment to surrender a vehicle on June 9, 2017. To prepare for the Buyback, the vehicle's Current Mileage is reported 20 days before the scheduled appointment, on May 20, 2017, as 160,900 km. Based on the Current Mileage, the vehicle falls into the highest mileage CBB Wholesale Category. The vehicle was first sold in Canada as a new vehicle on February 1, 2010. The number of days between February 1, 2010 and the Surrender Proxy Date of May 20, 2017 is 2,665 days. Based on this example, the Average Daily KM Rate, rounded to the nearest whole number, is:

$$\frac{160,900 \text{ km}}{2,665 \text{ days}} = 60 \text{ km/day}$$

The Average Daily KM Rate is used to establish the vehicle's mileage as of September 18, 2015 (the "**September 2015 Mileage**") using the following formula:

Current Mileage – (Average Daily KM Rate x (Days from Sept. 18, 2015 to Surrender Proxy Date))

Using the same example, the number of days between September 18, 2015 and the May 20, 2017 Surrender Proxy Date is 610 days. As a result, the September 2015 Mileage is:

$$160,900 \text{ km} - (60 \text{ km/day} \times 610 \text{ days}) = 124,300 \text{ km}$$

In this example where a vehicle's Current Mileage places it in the highest mileage CBB Wholesale Category, the Vehicle Value is the CBB Wholesale Value based on the vehicle's calculated September 2015 Mileage of 124,300 km.

2. Eligible Sellers will receive the Non-Owner Damages Payment.

3. Eligible Purchasers

- a) Eligible Purchasers that purchased an Eligible Vehicle that was under lease from VCCI to someone else on September 18, 2015 will receive the Approved Emissions Modification Option, the Approved Emissions Modification Extended Warranty, and are eligible to receive 50% of the Non-Owner Damages Payment, when they complete the Approved Emissions Modification.
- b) All other Eligible Purchasers will receive the Approved Emissions Modification Option, the Approved Emissions Modification Extended Warranty, and are eligible to receive the Non-Owner Damages Payment, when they complete the Approved Emissions Modification.

4. Eligible Lessees

- a) Eligible Lessees with active leases when they obtain their benefits may choose:
 - i. Early Lease Termination and will receive the Non-Owner Damages Payment when they bring their Eligible Vehicle in to a Volkswagen or Audi dealer. To obtain this benefit, Eligible Lessees must pay any delinquent balance, along with any other fees due, pursuant to the terms of their lease;
- or-**
- ii. Approved Emissions Modification Option and will receive the Approved Emissions Modification Extended Warranty, and are eligible to receive the Non-Owner Damages Payment, when they complete the Approved Emissions Modification.

- b) Eligible Lessees who have concluded leases when they obtain their benefit, and who have not purchased their leased vehicle, will receive the Non-Owner Damages Payment.
- c) Eligible Lessees who purchased their leased vehicle will receive the Approved Emissions Modification, the Approved Emissions Modification Extended Warranty, and are eligible to receive the Non-Owner Damages Payment, when they complete the Approved Emissions Modification.
- d) Eligible Lessees who purchased their leased vehicle and have since sold their vehicle before receiving any stage of an Approved Emissions Modification are eligible to receive 50% of the Non-Owner Damages Payment.

B. DAMAGES PAYMENT

1. Damages Payment. The Damages Payment means the amount payable to Eligible Owners, Eligible Sellers, Eligible Purchasers or Eligible Lessees based on the brand and model year of their vehicle as set out below:

Volkswagen-Brand Eligible Vehicles

MODEL YEAR	OWNER DAMAGES PAYMENT	NON-OWNER DAMAGES PAYMENT
2009	\$5,100	\$2,550
2010	\$5,100	\$2,550
2011	\$5,100	\$2,550
2012	\$5,250	\$2,625
2013	\$5,500	\$2,750
2014	\$5,950	\$2,975
2015	\$7,000	\$3,500

Audi-Brand Eligible Vehicles

MODEL YEAR	OWNER DAMAGES PAYMENT	NON-OWNER DAMAGES PAYMENT
2010	\$5,200	\$2,600
2011	\$5,200	\$2,600
2012	\$5,350	\$2,675
2013	\$5,950	\$2,975
2015	\$8,000	\$4,000

C. APPROVED EMISSIONS MODIFICATION OPTION

Eligible Claimants in possession of their Eligible Vehicle may receive the Approved Emissions Modification Option at no charge. However, any costs to complete the Approved Emissions Modification that are necessitated by reason of an aftermarket modification to the vehicle are not included. The Approved Emissions Modification Option will only be available if the emissions modification is approved by appropriate regulators.

Volkswagen is working with U.S. regulators to develop Approved Emissions Modifications. The final deadlines for Volkswagen to submit to them proposed emissions modifications for each vehicle engine generation are shown in the table below. U.S. regulators will use their best efforts to approve or disapprove any proposal within 45 days of submission of the proposal. If they initially disapprove Volkswagen's proposed emissions modification, Volkswagen may challenge the decision through a dispute resolution procedure.

Because the necessary regulatory review process and possible subsequent dispute resolution procedure will take place in the U.S., followed by a regulatory process in Canada, it is difficult to predict whether and when there will be Approved Emissions Modifications for vehicles.

1st Generation Engine Vehicles	Final Submittal Deadline to U.S. Regulators
2009-2014 VW Jetta 2009 VW Jetta Wagon 2010-2013 VW Golf 2013-2014 VW Beetle 2010-2013 Audi A3 2010-2014 Golf Wagon TDI	January 27, 2017

2nd Generation Engine Vehicles	Final Submittal Deadline to U.S. Regulators
2012-2014 VW Passat	March 3, 2017
3rd Generation Engine Vehicles	Final Submittal Deadline to U.S. Regulators
2015 VW Jetta 2015 VW Golf 2015 VW Golf Sportwagon 2015 VW Beetle 2015 VW Passat 2015 Audi A3	Stage 1 Modification: October 14, 2016 Stage 2 Modification: October 30, 2017

Class Updates will be made available by mail, e-mail and at www.VWCanadaSettlement.ca to keep Settlement Class Members apprised of the process and of the availability of Approved Emissions Modifications. Notifications of Approved Emissions Modifications will include a clear and accurate disclosure regarding all of their effects that may be reasonably important to Settlement Class Members.

Eligible Claimants who receive the Approved Emissions Modification will receive the Approved Emissions Modification Extended Warranty and their applicable Damages Payment, with one possible exception. As reflected in the above table, it is anticipated that an Approved Emissions Modification for model year 2015 Eligible Vehicles will require a two-stage modification process. In this case, 50% of the applicable Damages Payment will be paid to the Eligible Claimant who completes the first stage of the Approved Emissions Modification. The remaining 50% will be paid to the Eligible Claimant, or a subsequent purchaser if ownership of the vehicle changes, when the second stage is completed. An oil change with respective engine oil filter will also be provided at no charge on completion of the second stage.

If there is no Approved Emissions Modification for vehicles with a particular generation of engine by June 15, 2018, Settlement Class Members who own such vehicles will be informed that they will have a second opportunity to opt out of the Settlement Class during the period from June 15, 2018 through August 15, 2018, if they have not already made a Claim, or received benefits under the Settlement Agreement. If these Settlement Class Members do not opt out, they can choose a Buyback or Trade-In and will receive their applicable Damages Payment. Eligible Lessees with active leases of such vehicles can select an Early Lease Termination and will receive their applicable Damages Payment.

If the second stage of the Approved Emissions Modification for model year 2015 vehicles is not approved by June 15, 2018, Settlement Class Members who own such vehicles on which the first stage of the modification has been performed will be informed that they can choose a Buyback or Trade-In and will receive the second half of their applicable Damages Payment. Eligible Lessees with active leases of such vehicles can select an Early Lease Termination and will receive the second half of their applicable Damages Payment.

D. SURRENDER FOR INOPERABILITY

In order to receive a Buyback, Trade-In or Approved Emissions Modification Option, an Eligible Vehicle must be Operable when brought in to a Volkswagen or Audi dealer. In the case of vehicles that are Inoperable, but otherwise eligible, Eligible Claimants may surrender their vehicle to VW and receive their applicable Damages Payment, but not Vehicle Value. These Eligible Claimants must arrange to resolve any outstanding Loan Obligations and unpaid Québec traffic tickets and fines on their vehicle before it is surrendered. Loan Forgiveness will not be available to Eligible Claimants surrendering Inoperable vehicles.

E. EXAMPLES

Examples illustrating how benefits are calculated under the Settlement Agreement are set out below. These examples are based on the following assumptions, as applicable:

Assumptions	
Eligible Vehicle	2012 Volkswagen Passat*
Vehicle Value as of September 18, 2015	\$18,000
Fair Market Value at time of Trade-In	\$14,000
Vehicle Value less Fair Market Value applied for Trade-In	= \$18,000 - \$14,000 = \$4,000
Cost of a replacement vehicle	\$30,000
Owner Damages Payment	\$5,100
Maximum Loan Forgiveness that may apply to an Eligible Owner	= (\$18,000 + \$5,100) x 30% = \$6,930**
Loan Forgiveness available to an Eligible Owner with a \$25,000 Loan Obligation	= \$25,000 – (\$18,000 + \$5,100) = \$1,900
Loan Forgiveness available to an Eligible Owner with a \$32,000 Loan Obligation	= \$32,000 – (\$18,000 + \$5,100) = \$8,900 <i>capped at \$6,930 maximum amount</i>
Non-Owner Damages Payment	= \$5,100 x 50% = \$2,550

*Assume single stage Approved Emissions Modification available for model year 2012 Passat.

**If there is no Approved Emissions Modification for their vehicle by June 15, 2017, Eligible Owners may qualify for a Loan Forgiveness payment up to 30% of the sum of their Vehicle Value and Owner Damages Payment.

Example 1: Eligible Owners Selecting a Buyback

Eligible Owners who choose a Buyback will receive a total payment of their Vehicle Value plus Owner Damages Payment, less any portion of this amount that is directed to be paid by VW towards satisfying any outstanding Loan Obligation.

a) Buyback and No Outstanding Loan Obligation

Vehicle Value	\$18,000
Owner Damages Payment	\$ 5,100
Total Settlement Benefits Payable to Eligible Owner	\$23,100
Net VW Payment to Eligible Owner	\$23,100

b) Buyback and Loan Obligation Less than Settlement Benefits

Vehicle Value	\$18,000
Owner Damages Payment	\$ 5,100
Total Settlement Benefits Payable to Eligible Owner	\$23,100
Loan Obligation at Surrender Date (including all fees)	\$ 4,500
VW Payment to Lender	<u>-\$ 4,500</u>
Loan Obligation Balance (to be paid by Eligible Owner)	\$ 0
Net VW Payment to Eligible Owner	\$18,600

c) Buyback and Loan Obligation Greater than, but Less than 130% of, Settlement Benefits (if Loan Forgiveness Is Available)

Vehicle Value	\$18,000
Owner Damages Payment	\$ 5,100
Total Settlement Benefits Payable to Eligible Owner	\$23,100
Loan Forgiveness Available	\$ 1,900
Loan Obligation at Surrender Date (including all fees)	\$25,000
VW Payment to Lender	<u>-\$23,100</u>
Available Loan Forgiveness Applied	<u>-\$ 1,900</u>
Loan Obligation Balance (to be paid by Eligible Owner)	\$ 0
Net VW Payment to Eligible Owner	\$ 0

d) Buyback and Loan Obligation Greater than 130% of Settlement Benefits (if Loan Forgiveness Is Available)

Vehicle Value	\$18,000
Owner Damages Payment	\$ 5,100
Total Settlement Benefits Payable to Eligible Owner	\$23,100
Loan Forgiveness Available	\$ 6,930
Loan Obligation at Surrender Date (including all fees)	\$32,000
VW Payment to Lender	-\$23,100
Available Loan Forgiveness Applied	-\$ 6,930
Loan Obligation Balance (to be paid by Eligible Owner)	\$ 1,970
Net VW Payment to Eligible Owner	\$ 0

Example 2: Eligible Owners Selecting a Trade-In

Eligible Owners who choose a Trade-In toward the purchase of a replacement new or used VW or Audi vehicle may receive a total payment of their Vehicle Value, less Fair Market Value trade-in credit, plus Owner Damages Payment. For Eligible Owners with a Loan Obligation, some or all of their payment remaining may be directed to be used towards satisfying their Loan Obligation.

a) Trade-In and No Outstanding Loan Obligation

Vehicle Value	\$18,000
Owner Damages Payment	\$ 5,100
Total Settlement Benefits Payable to Eligible Owner	\$23,100
Replacement Vehicle Cost	\$30,000
Fair Market Value Credit	-\$14,000
Net Replacement Vehicle Cost	\$16,000
Net VW Payment to Eligible Owner	\$ 9,100

b) Trade-In and Loan Obligation Less than Remainder of Settlement Benefits After Trade-In Credit

Vehicle Value	\$18,000
Owner Damages Payment	<u>\$ 5,100</u>
Total Settlement Benefits Payable to Eligible Owner	\$23,100
Replacement Vehicle Cost	\$30,000
Fair Market Value Credit	<u>-\$14,000</u>
Net Replacement Vehicle Cost	\$16,000
Loan Obligation at Surrender Date (including all fees)	\$ 4,500
VW Payment to Lender	<u>-\$ 4,500</u>
Loan Obligation Balance (to be paid by Eligible Owner)	\$ 0
Net VW Payment to Eligible Owner	\$ 4,600

c) Trade-In and Loan Obligation Greater than Remainder of Settlement Benefits After Trade-In Credit

Vehicle Value	\$18,000
Owner Damages Payment	<u>\$ 5,100</u>
Total Settlement Benefits Payable to Eligible Owner	\$23,100
Replacement Vehicle Cost	\$30,000
Fair Market Value Credit	<u>-\$14,000</u>
Net Replacement Vehicle Cost	\$16,000
Loan Obligation at Surrender Date (including all fees)	\$11,000
VW Payment to Lender	<u>-\$ 9,100</u>
Loan Obligation Balance (to be paid by Eligible Owner)	\$ 1,900
Net VW Payment to Eligible Owner	\$ 0

d) Trade-In and Loan Obligation Greater than Remainder of Settlement Benefits After Trade-In Credit, but Less than 130% of Settlement Benefits (if Loan Forgiveness Is Available)

Vehicle Value	\$18,000
Owner Damages Payment	\$ 5,100
Total Settlement Benefits Payable to Eligible Owner	\$23,100
Loan Forgiveness Available	\$ 1,900
Replacement Vehicle Cost	\$30,000
Fair Market Value Credit	-\$14,000
Net Replacement Vehicle Cost	\$16,000
Loan Obligation at Surrender Date (including all fees)	\$25,000
VW Payment to Lender	-\$ 9,100
Available Loan Forgiveness Applied	-\$ 1,900
Loan Obligation Balance (to be paid by Eligible Owner)*	\$14,000
Net VW Payment to Eligible Owner	\$ 0

**Loan Forgiveness, if available, is only applicable towards satisfaction of any portion of a Loan Obligation exceeding the sum of the Vehicle Value and Owner Damages Payment, up to a maximum of 30% of this sum. Accordingly, in the scenario where a Loan Obligation is less than the 130% cap, Eligible Owners choosing a Trade-In must pay the amount of the Loan Obligation corresponding to the value of the Fair Market Value trade-in credit. The Loan Forgiveness payment satisfies the remaining balance of the Loan Obligation in this scenario.*

e) Trade-In and Loan Obligation Greater than 130% of Settlement Benefits (if Loan Forgiveness Is Available)

Vehicle Value	\$18,000
Owner Damages Payment	\$ 5,100
Total Settlement Benefits Payable to Eligible Owner	\$23,100
Loan Forgiveness Available	\$ 6,930
Replacement Vehicle Cost	\$30,000
Fair Market Value Credit	-\$14,000
Net Replacement Vehicle Cost	\$16,000
Loan Obligation at Surrender Date (including all fees)	\$32,000
VW Payment to Lender	-\$ 9,100
Available Loan Forgiveness Applied	-\$ 6,930
Loan Obligation Balance (to be paid by Eligible Owner)*	\$15,970
Net VW Payment to Eligible Owner	\$ 0

**Loan Forgiveness, if available, is only applicable towards satisfaction of any portion of a Loan Obligation exceeding the sum of the Vehicle Value and Owner Damages Payment, up to a maximum of 30% of this sum. Accordingly, in the scenario where a Loan Obligation exceeds the 130% cap, Eligible Owners choosing a Trade-In are required to pay the amount of the Loan Obligation corresponding to the value of the Fair Market Value trade-in credit, plus the amount of the Loan Obligation exceeding the 130% cap.*

Example 3: Eligible Owners Selecting the Approved Emissions Modification Option

Eligible Owners may choose to keep their vehicle and have the Approved Emissions Modification performed.

Settlement Benefits	VW Payment to Eligible Owner
Approved Emissions Modification + Approved Emissions Modification Extended Warranty + Owner Damages Payment	\$5,100

Example 4: Eligible Sellers

Eligible Sellers who owned an Eligible Vehicle on September 18, 2015 and subsequently sold their vehicle before January 4, 2017 will receive the Non-Owner Damages Payment.

Settlement Benefits	VW Payment to Eligible Seller
Non-Owner Damages Payment	\$2,550

Example 5: Eligible Purchasers

Eligible Purchasers who acquired an Eligible Vehicle after September 18, 2015 and continue to own the vehicle may receive the Approved Emissions Modification.

Settlement Benefits	VW Payment to Eligible Purchaser
Approved Emissions Modification* + Approved Emissions Modification Extended Warranty + Non-Owner Damages Payment	\$2,550**

**If an Approved Emissions Modification is not available for the vehicle by June 15, 2018, Eligible Purchasers will become eligible to choose a Buyback or Trade-In.*

***Eligible Purchasers will receive 50% of the Non-Owner Damages Payment if they acquire ownership of an Eligible Vehicle that previously had an active lease issued by VCCI to someone else as of September 18, 2015.*

Example 6: Eligible Lessees with Active Leases

Eligible Lessees with active leases when they obtain their benefits may choose Early Lease Termination or the Approved Emissions Modification.

Settlement Benefits	VW Payment to Eligible Lessee
Early Lease Termination + Non-Owner Damages Payment	\$2,550
Approved Emissions Modification + Approved Emissions Modification Extended Warranty + Non-Owner Damages Payment	\$2,550*

**If an Approved Emissions Modification is not available for the vehicle by the lease-end date, the Non-Owner Damages Payment will be payable on the lease-end date.*

Example 7: Eligible Lessees with Concluded Leases

Eligible Lessees who have concluded leases when they obtain their benefits, and who have not purchased their leased vehicle, will receive the Non-Owner Damages Payment.

Settlement Benefits	VW Payment to Eligible Lessee
Non-Owner Damages Payment	\$2,550

Example 8: Eligible Lessees Who Purchase Their Leased Eligible Vehicle

Eligible Lessees who purchase their leased vehicle pursuant to the lease terms may receive the Approved Emissions Modification.

Settlement Benefits	VW Payment to Eligible Lessee
Approved Emissions Modification* + Approved Emissions Modification Extended Warranty + Non-Owner Damages Payment	\$2,550**

**If an Approved Emissions Modification is not available for the vehicle by June 15, 2018, those Eligible Lessees will become eligible to choose a Buyback or Trade-In.*

***Eligible Lessees may receive 50% of the Non-Owner Damages Payment if they sell their vehicle without an Approved Emissions Modification.*

Exhibit 2

LEGAL NOTICE OF UPCOMING COURT HEARINGS SEEKING APPROVAL OF:

VOLKSWAGEN / AUDI 2.0L TDI (DIESEL) EMISSIONS SETTLEMENT IN CANADA

A NATIONWIDE SETTLEMENT HAS BEEN REACHED IN CANADA TO
BENEFIT MANY OWNERS AND LESSEES OF THE FOLLOWING 2.0L TDI VEHICLES:

VW Jetta 2009-2015	VW Jetta Wagon 2009	VW Golf 2010-2013, 2015	VW Passat 2012-2015
VW Beetle 2013-2015	VW Golf Wagon 2010-2014	VW Golf Sportwagon 2015	Audi A3 2010-2013, 2015

IF YOU OWNED OR LEASED ONE OF THESE VEHICLES ON SEPTEMBER 18, 2015 OR
IF YOU CURRENTLY OWN ONE OF THESE VEHICLES, THE SETTLEMENT MAY AFFECT YOUR LEGAL RIGHTS

If you sell your vehicle on or after January 4, 2017, you may lose any benefits for which you may be eligible

If you are an eligible owner or lessee, **YOU MAY CLAIM:**

- **Buyback + Cash –OR– Trade-In** toward purchase of replacement Volkswagen / Audi vehicle + **Cash –OR– Approved Emissions Modification + Extended Emissions Warranty + Cash** if you owned your vehicle on September 18, 2015 and continue to be the owner
- **Approved Emissions Modification + Extended Emissions Warranty + Cash** if you purchased your vehicle after September 18, 2015 and continue to be the owner
- **Early Lease Termination + Cash –OR– Approved Emissions Modification + Extended Emissions Warranty + Cash** if you held a lease on your vehicle on September 18, 2015 and continue to be in your lease
- Even if you no longer own or lease your vehicle, you may be eligible for **Cash**

The nationwide Settlement must be approved by Courts in Ontario and Québec to become effective. Hearings to consider whether to approve the Settlement will take place:

- [Date to be confirmed], 2017: Ontario Superior Court of Justice, 130 Queen Street West, Toronto
- [Date to be confirmed], 2017: Superior Court of Québec, room 2.08, 1 Notre-Dame Street East, Montreal

The Courts will approve amounts for legal fees and expenses to class counsel. Those amounts will be paid separately and will not reduce the Settlement benefits.

YOU HAVE OPTIONS:

- **Participate** in the Settlement, if approved by the Courts, and make a claim for eligible benefits
- **Object** to the Settlement before the Courts consider whether to approve it and attend the approval hearing if you want to
- **Exclude** yourself from the Settlement (opt out), in which case you will not be eligible to receive any benefits. You must take steps to exclude yourself from the Settlement if you do not wish to participate in the Settlement and wish to preserve your legal rights against Volkswagen / Audi

To opt out or object, submit a request so it is received by March 4, 2017

Go to www.VWCanadaSettlement.ca to obtain submission information

TO SIGN UP FOR UPDATES AND TO OBTAIN MORE INFORMATION

VISIT www.VWCanadaSettlement.ca / CALL 1-888-670-4773

YOU MAY ALSO CONTACT LAWYERS FOR VEHICLE OWNERS AND LESSEES

CANADA EXCEPT QUÉBEC: 1-866-881-2292 –OR– 1-844-425-2934 / QUÉBEC AND FRENCH INQUIRIES: 1-888-987-6701

**THIS NOTICE IS ONLY A SUMMARY OF SOME OF THE TERMS OF THE SETTLEMENT
IF THERE IS A CONFLICT BETWEEN THIS NOTICE AND THE SETTLEMENT, THE SETTLEMENT APPLIES**

Exhibit 3

Volkswagen / Audi
2.0L TDI (Diesel) Emissions Settlement in Canada

OFFICIAL COURT COMMUNICATION – DO NOT DISCARD

A NATIONWIDE SETTLEMENT HAS BEEN REACHED IN CANADA TO BENEFIT MANY OWNERS AND LESSEES OF **2.0L VOLKSWAGEN AND AUDI TDI VEHICLES**:

IF YOU **OWNED** OR **LEASED** ONE OF THESE VEHICLES ON **SEPTEMBER 18, 2015** OR IF YOU **CURRENTLY OWN** ONE OF THESE VEHICLES, YOU COULD GET BENEFITS FROM A CLASS ACTION SETTLEMENT

FOR MORE INFORMATION:
VISIT www.VWCanadaSettlement.ca / CALL 1-888-670-4773

Volkswagen has reached a nationwide Settlement in Canada involving 2.0L Volkswagen and Audi TDI vehicles with current and certain former owners and lessees. This Settlement was reached following negotiations between Volkswagen and class action lawyers for the owners and lessees, in consultation with the Commissioner of Competition in Canada.

The nationwide Settlement must be approved by Courts in Ontario and Québec to become effective.

If approved, Volkswagen has agreed to offer in Canada the following benefits under the Settlement:

Cash Payments for nearly 105,000 2.0L TDI vehicles

—and—

Many owners and lessees will also be eligible for benefits that may include:

Vehicle Buyback
Early Lease Termination
Trade-In toward a replacement VW / Audi vehicle
Approved Emissions Modification with Extended Emissions Warranty

*Note: If you sell your vehicle on or after **January 4, 2017**, you may lose any benefits for which you may be eligible*

Your rights and options—and the deadlines to exercise them—are explained in this Notice. Additional information and answers to frequently asked questions are available at www.VWCanadaSettlement.ca or by calling the Claims Administrator at 1-888-670-4773.

PLEASE READ THIS NOTICE CAREFULLY.
YOUR LEGAL RIGHTS UNDER THE SETTLEMENT ARE
AFFECTED EVEN IF YOU DO NOTHING.

Volkswagen / Audi
2.0L TDI Emissions Settlement in Canada

OFFICIAL COURT COMMUNICATION – DO NOT DISCARD

WHAT THIS NOTICE CONTAINS

CLASS ACTION QUESTIONS	3
A. What are my options?.....	3
B. What are the Class Actions about?.....	4
C. Why am I receiving this Notice?.....	4
CLASS MEMBERSHIP QUESTIONS	4
D. Am I included in the Settlement?.....	4
E. Is my car an “Eligible Vehicle”?.....	5
F. Am I a “Settlement Class Member”?.....	5
G. Am I an “Excluded Person”?.....	7
SETTLEMENT BENEFITS QUESTIONS	7
H. What benefits can I receive?.....	7
I. How can I make a claim?.....	10
J. If I choose a Buyback, what benefits can I claim?.....	11
K. If I choose a Trade-In, what benefits can I claim?.....	11
L. If I choose an Early Lease Termination, what benefits can I claim?.....	12
M. If I choose the Approved Emissions Modification, what benefits can I claim?.....	12
N. Can I receive benefits if my car was totalled?.....	13
O. Can I receive benefits if my car is not operable?.....	13
APPROVED EMISSIONS MODIFICATION QUESTIONS	14
P. What is the Approved Emissions Modification?.....	14
Q. What is the difference between the Approved Emissions Modification and a Recall?.....	16
R. What if there is no Approved Emissions Modification for my car?.....	16
SETTLEMENT PROCESS QUESTIONS	17
S. If I am a Settlement Class Member, what rights am I giving up?.....	17
T. How can I object to the Settlement?.....	18
U. How can I opt out of the Settlement?.....	19
V. Can I attend the Settlement approval hearings?.....	21
W. Who is my lawyer (Class Counsel)?.....	21
X. How will Class Counsel be paid?.....	21
Y. How do I get more information?.....	22

Volkswagen / Audi
2.0L TDI Emissions Settlement in Canada
OFFICIAL COURT COMMUNICATION – DO NOT DISCARD

CLASS ACTION QUESTIONS

A. WHAT ARE MY OPTIONS?

If you think you are included in the Settlement, you have the following options:

LEARN MORE ABOUT THE SETTLEMENT AND WHETHER YOU MAY BE ELIGIBLE	<p>Visit www.VWCanadaSettlement.ca:</p> <p>STEP 1: Sign up to receive updates about the Settlement.</p> <p>STEP 2: Determine whether your vehicle is included in the Settlement using the Vehicle Look-Up section of the website. You will need your vehicle's VIN for this step (see Question E).</p> <p>STEP 3: Determine whether you may be eligible under the Settlement, and learn more about the estimated benefits to which you may be entitled, using the Check My Eligibility section of the website.</p>
COURT APPROVAL OF THE SETTLEMENT	<p>The nationwide Settlement is subject to approval by Courts. Approval hearings have been scheduled for [date to be confirmed], 2017 before the Ontario Court and [date to be confirmed], 2017 before the Québec Court. These hearings are public and you are welcome to attend at your own cost.</p> <p style="text-align: center;"><i>See Question V for more information.</i></p>
OBJECT TO THE SETTLEMENT BEFORE IT IS APPROVED	<p>If you do not like the Settlement, you may provide your views in writing so they are received by March 4, 2017. Your objection will be delivered to the Courts and considered at the approval hearings for the Settlement.</p> <p style="text-align: center;"><i>See Questions T and V for more information.</i></p>
EXCLUDE YOURSELF FROM THE SETTLEMENT (OPT OUT) BEFORE IT IS APPROVED	<p>If you do not want to participate in the Settlement or be bound by it, you must exclude yourself by opting out. Your opt out request must be received by March 4, 2017. If you opt out, you will <u>not</u> be eligible to receive any benefits under the Settlement and you will <u>not</u> be able to object to the Settlement, but you <u>will</u> keep any right you have to separately sue Volkswagen at your own cost.</p> <p style="text-align: center;"><i>See Question U for more information.</i></p>
PARTICIPATE IN THE SETTLEMENT	<p>If you wish to make a claim for benefits, you do not need to take any action at this time. The period to submit a claim will not begin until after the Settlement is approved by the Courts. If approved, additional details will be provided regarding when and how claims can be submitted.</p> <p style="text-align: center;"><i>See Question I for more information.</i></p>
IF YOU TAKE NO STEPS	<p>If you do not opt out <u>and</u> do not submit a claim after the Settlement is approved by the Courts, you will not receive any benefits from the Settlement and you will give up any rights you currently have to separately sue Volkswagen for the claims being resolved by the Settlement.</p>

Volkswagen / Audi
2.0L TDI Emissions Settlement in Canada

OFFICIAL COURT COMMUNICATION – DO NOT DISCARD

B. WHAT ARE THE CLASS ACTIONS ABOUT?

Following a September 18, 2015 disclosure of emissions-related issues, class actions were commenced in Canada seeking damages and other relief on behalf of consumers with affected 2.0L TDI vehicles. These actions allege that the affected 2.0L TDI vehicles emit nitrogen oxide (“NOx”) emissions up to levels that exceed the standards to which the vehicles were certified because software installed in those vehicles allowed them to operate one way when recognizing driving cycles in NOx emissions laboratory testing, and in a different way when the vehicles were in on-road operation.

These consumer class actions consist of a national class action (*Quenneville et al v. Volkswagen Group Canada, Inc. et al*, Court File No. CV-15-537029-00CP) before the Ontario Superior Court of Justice and a class action in Québec (*Option consommateurs & François Grondin v. Volkswagen Group Canada, Inc. et al*, Court File No. 500-06-000761-151) before the Superior Court of Québec (collectively, the “Class Actions” and the “Courts”). Other consumer proceedings have been commenced and are pending in Canada.

C. WHY AM I RECEIVING THIS NOTICE?

This Notice summarizes the Settlement that affects your legal rights if you are a Settlement Class Member (see Question F). You have received this Notice either because you are a past or current owner or lessee of an affected 2.0L TDI vehicle, or because you have expressed interest in the Class Actions. Receipt of this Notice does not mean that you are a Settlement Class Member.

If you are a Settlement Class Member, this Notice informs you of your legal rights and options. These options include participating in the Settlement and, if you wish, objecting to the Settlement, or excluding yourself (“opting out”) from the Settlement. You can also attend the upcoming public hearings before the Courts to consider approval of the Settlement (see Question V).

CLASS MEMBERSHIP QUESTIONS

D. AM I INCLUDED IN THE SETTLEMENT?

You may be included in the Settlement if:

- You have or had an Eligible Vehicle (see Question E); and
- You are a Settlement Class Member (see Question F).

If you sell your vehicle on or after January 4, 2017, you may lose any benefits for which you may be eligible.

Volkswagen / Audi
2.0L TDI Emissions Settlement in Canada

OFFICIAL COURT COMMUNICATION – DO NOT DISCARD

Find out if you qualify and, if so, what benefits you may be entitled to, by reviewing the questions and answers below.

E. IS MY CAR AN “ELIGIBLE VEHICLE”?

Only Eligible Vehicles are included in the Settlement. If your vehicle meets the following criteria, it may be considered an Eligible Vehicle:

- It must be one of the following 2.0L TDI Volkswagen and Audi vehicles:

VW Jetta 2009-2015	VW Jetta Wagon 2009	VW Golf 2010-2013, 2015	VW Passat 2012-2015
VW Beetle 2013-2015	VW Golf Wagon 2010-2014	VW Golf Sportwagon 2015	Audi A3 2010-2013, 2015

- It must have been originally sold, or leased from VW Credit Canada, Inc., also known as Volkswagen Finance and Audi Finance (“VCCI”), in Canada;
- It must have been registered in Canada at any point from September 18, 2015 through January 4, 2017; and
- It must not already be modified pursuant to all stages of the Approved Emissions Modification, unless completed by you pursuant to a Recall (see Question Q).

You can enter your Vehicle Identification Number, also known as VIN, in the Vehicle Look-Up section at www.VWCanadaSettlement.ca to determine if your vehicle is included in the Settlement. Additional eligibility requirements apply in order to participate in the Settlement.

A VIN is a unique identification number for a vehicle. It contains a combination of 17 numbers and letters. You can find it on the province vehicle registration, vehicle insurance card or the vehicle itself—either on the driver’s side of the dashboard at the bottom of the windshield or on the driver’s side door jamb. A VIN will never include the letter ‘i’ or the letter ‘o’, but may include the number ‘1’ or the number ‘0’.

F. AM I A “SETTLEMENT CLASS MEMBER”?

You may be a Settlement Class Member and included in the Settlement if you:

- Were an owner of an Eligible Vehicle on September 18, 2015; or
- Were a lessee of an Eligible Vehicle leased from VCCI on September 18, 2015; or
- Purchased an Eligible Vehicle after September 18, 2015 and continue to own the vehicle at the time of participating in the Settlement.

Volkswagen / Audi
2.0L TDI Emissions Settlement in Canada

OFFICIAL COURT COMMUNICATION – DO NOT DISCARD

Some exceptions apply. See Question G.

There are four categories of Settlement Class Members who may be entitled to benefits under the Settlement if they submit a claim during the settlement program:

Eligible Owners:	<p>Eligible Owners are Settlement Class Members who owned an Eligible Vehicle on September 18, 2015 and continue to own the vehicle at the time of participating in the Settlement.</p> <p>Settlement Class Members who owned an Eligible Vehicle on September 18, 2015 and transfer title to an insurance company on or after March 5, 2017 because their vehicle was totalled or appraised as a total loss are also Eligible Owners (see Question N).</p>
Eligible Lessees:	<p>Eligible Lessees are Settlement Class Members who were leasing an Eligible Vehicle from VCCI on September 18, 2015.</p> <p>Such lessees qualify as Eligible Lessees regardless of whether they continue to be in their lease, their lease has since concluded at lease-end or if they buy out their leased vehicle at lease-end.</p>
Eligible Purchasers:	<p>Eligible Purchasers are Settlement Class Members who purchased an Eligible Vehicle after September 18, 2015, and continue to own the vehicle at the time of participating in the Settlement.</p> <p>Eligible Purchasers do not include Eligible Lessees who buy out their leased vehicle at lease-end.</p>
Eligible Sellers:	<p>Eligible Sellers are Settlement Class Members who owned an Eligible Vehicle on September 18, 2015 and sell their vehicle before January 4, 2017.</p> <p>Eligible Sellers include those Settlement Members who transfer title to an insurance company before January 4, 2017 because their vehicle was totalled or appraised as a total loss (see Question N)</p>

You can answer the questions in the Check My Eligibility section at www.VWCanadaSettlement.ca to help you determine whether one of these categories of Settlement Class Members applies to you and, if so, the estimated benefits to which you may be entitled.

Volkswagen / Audi
2.0L TDI Emissions Settlement in Canada

OFFICIAL COURT COMMUNICATION – DO NOT DISCARD

G. AM I AN “EXCLUDED PERSON”?

The Settlement Agreement does not apply to anyone who is not a Settlement Class Member, including Excluded Persons. Excluded Persons are:

- All those who timely and properly exclude themselves (opt out) from the Settlement (see Question U);
- Anyone who owned an Eligible Vehicle on September 18, 2015 and sells the vehicle after January 4, 2017 other than through the Buyback and Trade-In options under the Settlement, except for those owners who transfer title to an insurance company on or after March 5, 2017 because the Eligible Vehicle was totalled or appraised as a total loss (see Question N);
- Anyone who owned an Eligible Vehicle on September 18, 2015 and who, on or after January 4, 2017 and before March 5, 2017, transfers title to an insurance company because the Eligible Vehicle was totalled or appraised as a total loss;
- Insurance companies and other owners of totalled Eligible Vehicles;
- Any lessees of an Eligible Vehicle leased from a leasing company other than VCCI;
- Anyone who owns an Eligible Vehicle on January 4, 2017 that cannot be driven under the power of its own 2.0L TDI engine on January 4, 2017;
- Anyone who owns an Eligible Vehicle with a branded title of “Dismantled”, “Junk”, “Salvage” or “Mechanically Unfit” on September 18, 2015;
- Anyone who owns an Eligible Vehicle that was acquired from a junkyard or salvage yard on or after September 18, 2015;
- Volkswagen’s officers, directors and employees and participants in Volkswagen’s internal lease program; Volkswagen’s affiliates and those affiliates’ officers, directors and employees; and Volkswagen dealers and those dealers’ officers and directors;
- The Judges overseeing the Class Actions; and
- Class Counsel in the Class Actions who represent the Settlement Class Members.

SETTLEMENT BENEFITS QUESTIONS

H. WHAT BENEFITS CAN I RECEIVE?

The Settlement provides for various benefits to owners and lessees who are eligible Settlement Class Members depending on their circumstances. If approved by the Courts (see Question V), the Settlement will provide for cash payments to Settlement Class Members, and many of them will also be able to choose a vehicle Buyback (see Question J), Trade-In (see Question K), Early Lease Termination (see Question L) and, if approved by regulators, the Approved Emissions Modification (see Question M).

Volkswagen / Audi
2.0L TDI Emissions Settlement in Canada

OFFICIAL COURT COMMUNICATION – DO NOT DISCARD

The payment amount and benefits that may be available to you depend upon whether you are an Eligible Owner, Eligible Seller, Eligible Purchaser or Eligible Lessee (see Question F).

If you are an **Eligible Owner** who owned an Eligible Vehicle when the emissions accusations became public on September 18, 2015 and continue to own the vehicle when you participate in the settlement program, the benefits you can receive depend upon whether you choose the **Buyback**, **Trade-In** or **Approved Emissions Modification** option. With each of these options, you will receive a **cash payment** as shown in Table A below based on your vehicle’s brand and model year:

Table A
Cash Payments to Eligible Owners*

Model Year	VW Eligible Owners	Audi Eligible Owners
2009	\$5,100	N/A
2010	\$5,100	\$5,200
2011	\$5,100	\$5,200
2012	\$5,250	\$5,350
2013	\$5,500	\$5,950
2014	\$5,950	N/A
2015	\$7,000	\$8,000

**If you have a 2015 Eligible Vehicle and choose the Approved Emissions Modification, you will receive the first half of the above cash payment when you complete the first stage of the modification. The remaining one-half will be paid to you when you complete the second stage of the modification (see Question M).*

If you are an **Eligible Seller** who owned an Eligible Vehicle when the emissions accusations became public on September 18, 2015, and sell it before January 4, 2017, you can select a **cash payment** as shown in Table B below based on your vehicle’s brand and model year:

Table B
Cash Payments to Eligible Sellers

Model Year	VW Eligible Sellers	Audi Eligible Sellers
2009	\$2,550	N/A
2010	\$2,550	\$2,600
2011	\$2,550	\$2,600
2012	\$2,625	\$2,675
2013	\$2,750	\$2,975
2014	\$2,975	N/A
2015	\$3,500	\$4,000

Volkswagen / Audi
2.0L TDI Emissions Settlement in Canada

OFFICIAL COURT COMMUNICATION – DO NOT DISCARD

If you are an **Eligible Purchaser** who acquired your vehicle after the emissions accusations became public on September 18, 2015, and continue to own the vehicle when you participate in the settlement program, you can select the **Approved Emissions Modification**. With this option, you will receive a **cash payment** as shown in Table C below based on your vehicle’s brand and model year. The amount of the cash payment also depends upon whether your vehicle was previously under lease from VCCI to someone else on September 18, 2015, in which case you may be eligible for a cash payment of one-half of the amount shown in Table C. To determine whether this applies to your vehicle, visit www.VWCanadaSettlement.ca and enter your VIN in the Vehicle Look-Up section.

Table C
Cash Payments to Eligible Purchasers*, **

Model Year	VW Eligible Purchasers	Audi Eligible Purchasers
2009	\$2,550	N/A
2010	\$2,550	\$2,600
2011	\$2,550	\$2,600
2012	\$2,625	\$2,675
2013	\$2,750	\$2,975
2014	\$2,975	N/A
2015	\$3,500	\$4,000

**If you are an Eligible Purchaser of a vehicle that was previously under lease from VCCI to someone else on September 18, 2015, you may be eligible for a cash payment of one-half of the amount shown above if you select the Approved Emissions Modification.*

***If you have a 2015 Eligible Vehicle and select the Approved Emissions Modification, you will receive the first half of the applicable cash payment when you complete the first stage of the modification. The remaining one-half will be paid to you when you complete the second stage of the modification (see Question M).*

If you are an **Eligible Lessee** who was leasing an Eligible Vehicle from VCCI when the emissions accusations became public on September 18, 2015, the benefits you can receive depend upon whether your lease has concluded or remains active, and upon whether you purchase and continue to own your leased vehicle, when you participate in the settlement program.

In particular, if your lease has ended when you participate in the settlement program, you can select a **cash payment** as shown in column A of Table D. If instead your lease remains active when you participate in the settlement program, you can choose an **Early Lease Termination** or the **Approved Emissions Modification**. With each of these options, you will receive a **cash payment** as shown in column A of Table D.

Volkswagen / Audi
2.0L TDI Emissions Settlement in Canada

OFFICIAL COURT COMMUNICATION – DO NOT DISCARD

In the event that you purchase your vehicle at the conclusion of your lease and continue to own your vehicle when you participate in the settlement agreement, you can select the **Approved Emissions Modification** and receive a **cash payment** as shown in column A of Table D. Even if you sell your vehicle before receiving the Approved Emissions Modification, you remain eligible for a **cash payment** as shown in column B of Table D.

Table D
Cash Payments to Eligible Lessees

Model Year	VW Eligible Lessees		Audi Eligible Lessees	
	A*	B	A*	B
2009	\$2,550	\$1,275	N/A	N/A
2010	\$2,550	\$1,275	\$2,600	\$1,300
2011	\$2,550	\$1,275	\$2,600	\$1,300
2012	\$2,625	\$1,312.50	\$2,675	\$1,337.50
2013	\$2,750	\$1,375	\$2,975	\$1,487.50
2014	\$2,975	\$1,487.50	N/A	N/A
2015	\$3,500	\$1,750	\$4,000	\$2,000

**If you have a 2015 Eligible Vehicle and select the Approved Emissions Modification, you will receive the first half of the above cash payment when you complete the first stage of the modification. The remaining one-half will be paid to you when you complete the second stage of the modification (see Question M), with one exception. A payment of the remaining one-half may be paid as of the last day of your lease if the second stage of the Approved Emissions Modification is not completed by that date, provided that you do not purchase your leased vehicle at lease-end.*

The above information provides a summary of some of the benefits available under the Settlement Agreement. It does not deal with all circumstances in which benefits may be paid, or the amounts of all benefits. The Settlement Agreement should be consulted for complete terms and conditions.

I. HOW CAN I MAKE A CLAIM?

If you wish to make a claim for benefits under the Settlement, you do not need to take any action at this time. The period to submit a claim will not begin until after the Settlement is approved by the Courts (see Question V). If the Settlement is approved, additional details will be provided regarding when claims can be submitted. You will have until at least September 1, 2018 to submit a claim.

To receive updates about the status of the Settlement, you can sign up at www.VWCanadaSettlement.ca. **Please note that signing up for updates is not the same as making a claim for benefits.** If the Settlement is approved, you will need to take steps to make a claim. By signing up for updates, you will receive notice of when

Volkswagen / Audi
2.0L TDI Emissions Settlement in Canada
OFFICIAL COURT COMMUNICATION – DO NOT DISCARD

and how you can submit a claim.

J. IF I CHOOSE A BUYBACK, WHAT BENEFITS CAN I CLAIM?

If you choose a Buyback, Volkswagen will offer to buy back your vehicle at its Vehicle Value and provide an additional cash payment based on your Settlement Class Member category (see Question H). Vehicle Value is your vehicle's wholesale value on September 18, 2015, as independently determined by Canadian Black Book, Inc. ("CBB"), based on your vehicle's brand, model year, model, trim level, factory options and mileage at the time that the offer is made.

Vehicle Value will be determined based on your vehicle's mileage no more than 20 days before the Buyback, provided that the mileage does not increase by more than 2,000 kilometres when you bring your vehicle into a Volkswagen dealership to participate in the Buyback. If your vehicle's mileage exceeds this allowance, your Buyback will need to be rescheduled and your Vehicle Value may change.

CBB uses mileage to determine vehicle categories, which in turn are used to determine vehicle values. Your vehicle's category at the time of your Buyback will be used to determine your Vehicle Value based upon CBB vehicle values frozen as of September 18, 2015.

Because Vehicle Value is specific to your vehicle's mileage, only ranges of possible payments that you may receive can be assessed at this time. These estimated payments are set forth in Table 2 to Exhibit 5 of the Settlement Agreement (available at www.VWCanadaSettlement.ca).

To receive a Buyback, you must arrange to resolve any outstanding loans on your vehicle and unpaid Québec traffic tickets and fines before it is surrendered. To assist with satisfying any vehicle loans, some or all of your Vehicle Value and cash payment may, where directed, be paid by Volkswagen to lenders. If available, loan forgiveness provides additional assistance (see Question R). You will be responsible for payment of any loan balance not satisfied by payments made by Volkswagen.

K. IF I CHOOSE A TRADE-IN, WHAT BENEFITS CAN I CLAIM?

If you choose to trade in your vehicle at a Volkswagen or Audi dealership for a new or used Volkswagen or Audi vehicle, the purchase price of the vehicle you are buying will be reduced by your current vehicle's Fair Market Value at the time of the Trade-In. This will reduce the taxable portion that must be paid on the replacement vehicle. In addition, you will receive a cash payment equal to the difference between your vehicle's Vehicle Value (see Question J) and its Fair Market Value at the time of the Trade-In, plus an additional cash payment based on your Settlement Class Member category (see Question H).

Volkswagen / Audi
2.0L TDI Emissions Settlement in Canada

OFFICIAL COURT COMMUNICATION – DO NOT DISCARD

The Vehicle Value and Fair Market Value will be determined based on your vehicle's mileage no more than 20 days before the Trade-In, provided that the mileage does not increase by more than 2,000 kilometres when you bring your vehicle into the dealership to participate in the Trade-In. If your vehicle's mileage exceeds this allowance, your Trade-In will need to be rescheduled and your Vehicle Value and Fair Market Value may change.

The total cash payment for a Trade-In can be estimated by the "Total" amount set forth in Table 2 to Exhibit 5 of the Settlement Agreement (available at www.VWCanadaSettlement.ca) that applies based on your vehicle's brand and model year, less your vehicle's Fair Market Value at the time of the Trade-In. In addition to mileage, Fair Market Value is determined by a vehicle's brand, model year, model, trim level, factory options and mileage and market conditions. The Fair Market Value of your vehicle will be determined independently by CBB at the time of the Trade-In. It cannot be accurately assessed at this time. If you are considering this option, you are encouraged to visit www.canadianblackbook.com to obtain up-to-date information from CBB on the market value for your vehicle.

To receive a Trade-In, you must arrange to resolve any outstanding loans on your vehicle and unpaid Québec traffic tickets and fines before it is surrendered. To assist with satisfying any vehicle loans, some or all of your Vehicle Value, less your vehicle's Fair Market Value at the time of the Trade-In, and cash payment may be paid by Volkswagen to lenders. If available, loan forgiveness provides additional assistance (see Question R). You will be responsible for payment of any loan balance not satisfied by payments made by Volkswagen.

L. IF I CHOOSE AN EARLY LEASE TERMINATION, WHAT BENEFITS CAN I CLAIM?

If you choose an Early Lease Termination for your leased Eligible Vehicle, you can terminate your lease from VCCI before the end of the lease term without any early termination penalty and receive a cash payment (see Question H at Table D, column A). To obtain this benefit, you will need to pay any delinquent balance, along with any other fees due, pursuant to the terms of the lease.

M. IF I CHOOSE THE APPROVED EMISSIONS MODIFICATION, WHAT BENEFITS CAN I CLAIM?

If you choose the Approved Emissions Modification, you will receive the modification at no charge and the Approved Emissions Modification Extended Warranty (see Question P), plus a cash payment based on your Settlement Class Member category (see Question H), with one possible exception for model year 2015 Eligible Vehicles (see Question P). If you have a model year 2015 Eligible Vehicle, you will receive the first half of your eligible cash payment when you complete the first stage of the

Volkswagen / Audi
2.0L TDI Emissions Settlement in Canada

OFFICIAL COURT COMMUNICATION – DO NOT DISCARD

Approved Emissions Modification. The remaining one-half will be paid to you, or a subsequent purchaser if ownership of the vehicle changes, when the second stage of the modification is completed. An oil and filter change will also be provided at no charge when the second stage of the modification is completed.

The Approved Emissions Modification will only be available if a modification of the emissions system for your vehicle is approved by appropriate regulators. If there is no Approved Emissions Modification for your vehicle by June 15, 2018, the benefit options that you will be able to choose will depend upon your circumstances (see Question R).

N. CAN I RECEIVE BENEFITS IF MY CAR WAS TOTALLED?

You may be entitled to benefits if you were a registered owner of an Eligible Vehicle on September 18, 2015.

If you are such an owner, and your vehicle was subsequently totalled and the title is transferred to an insurance company before January 4, 2017, you can select a cash payment as shown in Table B of Question H based on your vehicle's brand and model year.

Alternatively, if your vehicle is subsequently totalled and the title is transferred to an insurance company on or after March 5, 2017, you can select a cash payment as shown in Table A of Question H based on your vehicle's brand and model year.

There is one exception: if your vehicle is totalled between January 4, 2017 and the opt-out deadline on March 4, 2017, you are excluded from the Settlement and retain your rights and claims against Volkswagen.

O. CAN I RECEIVE BENEFITS IF MY CAR IS NOT OPERABLE?

In order for eligible Settlement Class Members to receive a Buyback, Trade-In or Approved Emissions Modification under the Settlement, their Eligible Vehicle must be operable—*i.e.*, can be driven under the power of its own 2.0L TDI engine—when brought in to a Volkswagen or Audi dealership to participate in the settlement program. A vehicle is not considered operable if, among other reasons, it had a branded title of “Dismantled”, “Junk”, “Salvage” or “Mechanically Unfit” on September 18, 2015, or was acquired from a junkyard or salvage yard on or after September 18, 2015.

If you are an eligible Settlement Class Member who owns an Eligible Vehicle that becomes inoperable on or after March 5, 2017, and remains inoperable when you participate in the settlement program, you may surrender your vehicle to Volkswagen and receive a cash payment based on your Settlement Class Member category (see Question H). You will not receive Vehicle Value for your vehicle.

Volkswagen / Audi
2.0L TDI Emissions Settlement in Canada

OFFICIAL COURT COMMUNICATION – DO NOT DISCARD

To receive this option, you must arrange to resolve any outstanding loans on your vehicle and unpaid Québec traffic tickets and fines before it is surrendered. To assist with satisfying any vehicle loans, some or all of your cash payment may be paid by Volkswagen to lenders. You will be responsible for payment of any loan balance not satisfied by payments made by Volkswagen. Loan forgiveness will not be available if you surrender an inoperable vehicle.

There is one exception: if you are the owner of a vehicle on January 4, 2017 that is not operable on that date, you are excluded from the Settlement and retain your rights and claims against Volkswagen.

APPROVED EMISSIONS MODIFICATION QUESTIONS

P. WHAT IS THE APPROVED EMISSIONS MODIFICATION?

The Approved Emissions Modification option allows eligible Settlement Class Members to keep their Eligible Vehicles and receive an emissions system modification from a Volkswagen or Audi dealership at no cost, except that any costs to complete the modification that are necessitated by reason of an aftermarket modification of the vehicle must be covered by the Settlement Class Member.

Volkswagen is working with U.S. regulators to develop Approved Emissions Modifications. The final deadlines for Volkswagen to submit to them proposed emissions modifications for each vehicle engine generation are shown in the table below. U.S. regulators will use their best efforts to approve or disapprove any proposal within 45 days of submission of the proposal. If they initially disapprove Volkswagen's proposed emissions modification, Volkswagen may challenge the decision through a dispute resolution procedure.

Because the necessary regulatory review process and possible subsequent dispute resolution procedure will take place in the U.S., followed by a regulatory process in Canada, it is difficult to predict whether and when there will be Approved Emissions Modifications for vehicles.

1st Generation Engine Vehicles	Final Submittal Deadline to U.S. Regulators
2009-2014 VW Jetta 2009 VW Jetta Wagon 2010-2013 VW Golf 2013-2014 VW Beetle 2010-2013 Audi A3 2010-2014 Golf Wagon TDI	January 27, 2017

Volkswagen / Audi
2.0L TDI Emissions Settlement in Canada

OFFICIAL COURT COMMUNICATION – DO NOT DISCARD

2nd Generation Engine Vehicles	Final Submittal Deadline to U.S. Regulators
2012-2014 VW Passat	March 3, 2017
3rd Generation Engine Vehicles	Final Submittal Deadline to U.S. Regulators
2015 VW Jetta 2015 VW Golf 2015 VW Golf Sportwagon 2015 VW Beetle 2015 VW Passat 2015 Audi A3	Stage 1 Modification: October 14, 2016 Stage 2 Modification: October 30, 2017

Updates to Settlement Class Members will be made available by mail, e-mail and at www.VWCanadaSettlement.ca to keep them apprised of the process and of the availability of Approved Emissions Modifications. Notifications of Approved Emissions Modifications will include a clear and accurate disclosure regarding all of their effects that may be reasonably important to customers.

The Approved Emissions Modification will only be available if a modification of the emissions system for your vehicle is approved by appropriate regulators.

If available, you can choose the Approved Emissions Modification and receive the Approved Emissions Modification Extended Warranty, plus a cash payment based on your Settlement Class Member category (see Question H), with one possible exception. As reflected in the above table, it is anticipated that the Approved Emissions Modification for model year 2015 Eligible Vehicles will require a two-stage modification process. If you have a 2015 Eligible Vehicle, you will receive the first half of your eligible cash payment when you complete the first stage of the Approved Emissions Modification. The remaining one-half will be paid to you, or a subsequent purchaser if ownership of the vehicle changes, when the second stage of the modification is completed. An oil and filter change will also be provided at no charge when the second stage of the modification is completed.

The Approved Emissions Modification Extended Warranty is a transferrable warranty that will apply to all vehicles that receive the Approved Emissions Modification. It will cover all replaced components that are part of the Approved Emissions Modification and any component that reasonably could be impacted by effects of the Approved Emissions Modification, as determined by appropriate regulators.

The Approved Emissions Modification Extended Warranty period will be the greater of:

- In the case of model year 2009 to 2014 Eligible Vehicles, 10 years or 193,000 kilometres from the vehicle’s original in-service date, **and** 4 years or 77,000 kilometres from the date and mileage of implementing the Approved Emissions Modification, whichever comes first.

Volkswagen / Audi
2.0L TDI Emissions Settlement in Canada

OFFICIAL COURT COMMUNICATION – DO NOT DISCARD

- In the case of model year 2015 Eligible Vehicles, 10 years or 240,000 kilometres from the vehicle's original in-service date, **and** 4 years or 77,000 kilometres from the date and mileage of implementing the second stage of the Approved Emissions Modification, whichever comes first.

The original in-service date is the date that an Eligible Vehicle was originally leased or sold to a retail customer.

Q. WHAT IS THE DIFFERENCE BETWEEN THE APPROVED EMISSIONS MODIFICATION AND A RECALL?

The Approved Emissions Modification is the modification of your vehicle's emissions system. Before or during the settlement program, you may receive a notice of Recall to implement the Approved Emissions Modification in Canada.

A Recall will entitle owners and lessees in Canada subject to the Recall to receive the Approved Emissions Modification and Approved Emissions Modification Extended Warranty, but will not provide for benefits under the Settlement.

If you receive a notice of Recall, you can participate in the Settlement if you are eligible and choose any benefit that is available to you. If you receive the Approved Emissions Modification through a Recall, you remain eligible to receive the following benefits under the Settlement:

- If you receive the Approved Emissions Modification through a Recall **before the settlement program begins**, there will be no impact on the benefits to which you may be entitled based on your Settlement Class Member category (see Question H);
- If you receive the Approved Emissions Modification through a Recall **during the settlement program** and before making a claim under the Settlement, you will be eligible to receive the cash payment based on your Settlement Class Member category (see Question H), plus any additional stages of the modification for your vehicle.

R. WHAT IF THERE IS NO APPROVED EMISSIONS MODIFICATION FOR MY CAR?

It is possible that there may be Approved Emissions Modifications for some Eligible Vehicles, but not for others. If an Approved Emissions Modification is not yet available for your vehicle, you can wait to see whether an Approved Emissions Modification becomes available or choose any other benefit that is available to you.

If you are an Eligible Owner, in the event that there is no Approved Emissions Modification for your vehicle by **June 15, 2017**, you may become eligible for a loan forgiveness payment if you choose a Buyback or Trade-In. If loan forgiveness is

Volkswagen / Audi 2.0L TDI Emissions Settlement in Canada

OFFICIAL COURT COMMUNICATION – DO NOT DISCARD

available, and if you have a loan on your vehicle that exceeds the sum of your vehicle's Vehicle Value and cash payment (see Questions J and K), you will qualify for a loan forgiveness payment up to a maximum of 30% of this sum, payable towards satisfaction of the loan, with certain exceptions set forth in the Settlement Agreement. If the loan forgiveness payment is not sufficient to satisfy the loan, you must arrange to resolve any remaining balance in order to receive a Buyback or Trade-In.

In the event that there is no Approved Emissions Modification, or any stage of the Approved Emissions Modification, for a particular vehicle by **June 15, 2018**, Settlement Class Members who own or lease such vehicles will have an opportunity to opt out of the Settlement during the period from June 15, 2018 through August 15, 2018, if they have not already made a claim or received benefits under the Settlement. If you are a Settlement Class Member who owns or leases such a vehicle and you remain in the Settlement, you can:

- if you are an Eligible Owner, choose between the Buyback and Trade-In options and receive your unclaimed cash payment (see Question H at Table A). Loan forgiveness will, where applicable, be available toward satisfaction of loans on your vehicle;
- if you are an Eligible Purchaser or an Eligible Lessee who purchased your vehicle at lease-end, choose a Buyback or Trade-In and receive your unclaimed cash payment based on your Settlement Class Member category (see Question H). To receive a Buyback or Trade-In, you must arrange to resolve any outstanding loans on your vehicle and unpaid Québec traffic tickets and fines before it is surrendered. Loan forgiveness will, where applicable, be available toward satisfaction of loans on your vehicle; or
- if you are an Eligible Lessee and continue to be in your lease at that time, select an Early Lease Termination and receive your unclaimed cash payment (see Question H at Table D, column A).

SETTLEMENT PROCESS QUESTIONS

S. IF I AM A SETTLEMENT CLASS MEMBER, WHAT RIGHTS AM I GIVING UP?

A settlement is an agreement to resolve legal claims, and usually involves compromises by both sides. Settlements end all or part of a lawsuit while allowing the parties to avoid the costs and risks of a trial. A settlement also allows the parties to avoid the very significant time delays of litigation.

If the Settlement is approved, you will release Volkswagen from the Class Actions claims. Releasing someone from a claim means giving up the right to sue them. If you do not opt out of the Class Actions (see Question U), you will release Volkswagen from the claims related to the software or auxiliary emission control device in any Eligible

Volkswagen / Audi
2.0L TDI Emissions Settlement in Canada
OFFICIAL COURT COMMUNICATION – DO NOT DISCARD

Vehicle. You will also release Volkswagen for those claims in respect of any Eligible Vehicles that you owned or leased before September 18, 2015 and that you no longer owned or leased on September 18, 2015.

All Settlement Class Members are bound by a general release that will take effect whether they claim benefits or not. Settlement Class Members should be sure to make their claim before the claims submission deadline. You will have until at least September 1, 2018 to submit a claim.

You will have to sign an individual release in order to receive Settlement benefits. If you have more than one Eligible Vehicle, signing the individual release will not prevent you from obtaining benefits in respect of any other Eligible Vehicle during the settlement program.

The above is only a summary of the general release and individual release. The Settlement Agreement sets out and describes these releases, so read them carefully. If you have any questions, you can talk to Class Counsel (see Question W) for free or you can, of course, talk to your own lawyer if you have questions about what this means. The Settlement Agreement is available at www.VWCanadaSettlement.ca.

Note: The Settlement does not release Volkswagen for claims of personal injury or wrongful death, or claims relating to 3.0L TDI vehicles.

T. HOW CAN I OBJECT TO THE SETTLEMENT?

Before objecting, it is recommended that you visit www.VWCanadaSettlement.ca to get more information about the Settlement. You can talk to Class Counsel (see Question W) for free or you can, of course, talk to your own lawyer.

If you are a Settlement Class Member and have comments about, or disagree with, any aspect of the Settlement which applies to you, you may express your views to the Courts by submitting a personally signed written objection as provided below. There is also an Objection Form available at www.VWCanadaSettlement.ca. You may object only if you do not exclude yourself from the Settlement.

Your objection must include:

- Your name, mailing address, telephone number and e-mail address (if applicable);
- The brand, model, model year and VIN of your vehicle;
- A statement that you object to the Settlement;
- The reasons you object to the Settlement, along with any supporting materials;
- Whether you intend to appear in person or through a lawyer at a Settlement approval hearing (see Question V), and if appearing through a lawyer, the name,

Volkswagen / Audi
2.0L TDI Emissions Settlement in Canada
OFFICIAL COURT COMMUNICATION – DO NOT DISCARD

address, telephone number and e-mail address of your lawyer; and

- Your signature.

Your objection must be received by no later than **March 4, 2017** at:

Mail or Courier to: Volkswagen Class Action Administration P.O. Box 7071 31 Adelaide Street East Toronto, ON M5C 3H2	E-Mail to: vw@ricepoint.com
---	-----------------------------

DO NOT SEND OBJECTIONS DIRECTLY TO THE COURTS

Note: Objecting to the Settlement simply means telling the Courts that you do not like something about the Settlement. Objecting does not disqualify you from making a claim nor does it make you ineligible to receive benefits under the Settlement. You cannot opt out of and also object to the Settlement. If you do both, only your opt-out request will apply and your objection will be considered withdrawn.

If you send an objection to the Settlement, you do not have to come to Court to talk about it. As long as you submit your written objection on time, the Courts will consider it. Should you wish to speak at a hearing, you must indicate your wish to do so in your written objection. You can hire a lawyer to appear on your behalf at your own expense.

U. HOW CAN I OPT OUT OF THE SETTLEMENT?

Before excluding yourself by opting out of the Settlement, it is recommended that you visit www.VWCanadaSettlement.ca to get more information about the Settlement. You can talk to Class Counsel (see Question W) for free or you can, of course, talk to your own lawyer.

If you do not want to participate in the Settlement or to be bound by it, you must exclude yourself by opting out. If you opt out, you will not be eligible to receive any benefits under the Settlement and you will not be able to object to the Settlement, but you will keep any right you have to separately sue Volkswagen at your own cost.

To opt out, you must submit a personally signed written request as provided below. There is also an Opt-Out Form available at www.VWCanadaSettlement.ca.

Your opt-out request must include:

- Your name, mailing address, telephone number and e-mail address (if applicable);
- The brand, model, model year and VIN of your vehicle;

Volkswagen / Audi
2.0L TDI Emissions Settlement in Canada

OFFICIAL COURT COMMUNICATION – DO NOT DISCARD

- A statement that you wish to be excluded from the Settlement;
- If you own your vehicle, a copy of the vehicle's registration certificate or bill of sale, and if you lease your vehicle from VCCI, a copy of the lease agreement with VCCI; and
- Your signature.

Your opt-out request must be received by no later than **March 4, 2017** at:

Mail or Courier to: Volkswagen Class Action Administration P.O. Box 7071 31 Adelaide Street East Toronto, ON M5C 3H2	E-Mail to: vw@ricepoint.com
---	-----------------------------

DO NOT SEND OPT-OUT REQUESTS DIRECTLY TO THE COURTS

Opt Out requests may only be made by a representative on behalf of Settlement Class Members who are minors, incapable persons or deceased. See the Opt-Out section of the Settlement Website www.VWCanadaSettlement.ca for information.

Requests that are not personally signed, or that are not received on or before the **March 4, 2017** deadline will be invalid and will not operate to exclude you from the Settlement.

Note: You cannot opt out of and also object to the Settlement. If you do both, only your opt-out request will apply and your objection will be considered withdrawn. If you opt-out, you are telling the Courts that you do not want to participate in the Settlement. Therefore, you will not be eligible to receive any benefits from the Settlement and you will not be able to object to the Settlement.

If, in any Canadian province except Québec, you have an action (other than the Class Actions) pending against Volkswagen relating to the same facts underlying the claims being resolved by the Settlement, you must take the above steps if you do not want to participate in the Settlement.

If, in Québec, you have an action (other than the Class Actions) pending against Volkswagen relating to the same facts underlying the claims being resolved by the Settlement, you will be treated as having opted out of the Settlement unless you discontinue the litigation on or before **March 4, 2017**.

If you change your mind after opting-out and wish to participate in the settlement, you may send a request to the VW Class Action Administrator asking to rejoin the Settlement Class as long as it is received by March 4, 2017.

Volkswagen / Audi
2.0L TDI Emissions Settlement in Canada

OFFICIAL COURT COMMUNICATION – DO NOT DISCARD

V. CAN I ATTEND THE SETTLEMENT APPROVAL HEARINGS?

Yes. Before determining whether to approve the Settlement, the Courts will hold the following hearings:

- The Ontario Superior Court of Justice will hold a Settlement approval hearing at 130 Queen Street West, Toronto at [time to be confirmed] on [date to be confirmed], 2017; and
- The Superior Court of Québec will hold a Settlement approval hearing in room 2.08 of the Montréal Courthouse at [time to be confirmed] on [date to be confirmed], 2017.

The hearings may move to a different date or time. Visit www.VWCanadaSettlement.ca or call the Claims Administrator at 1-888-670-4773 for current information.

At these hearings, the Courts will consider whether the Settlement is fair, reasonable and adequate. Class Counsel will answer any questions the Courts may have about the Settlement. If there are objections, the Courts will consider them at that time. After the hearing, the Courts will decide whether to grant approval to the Settlement. We do not know how long these decisions will take.

You are welcome to attend the hearings at your own expense, but you are not required to attend.

W. WHO IS MY LAWYER (CLASS COUNSEL)?

The law firms representing all Settlement Class Members are listed below:

Sutts, Strosberg LLP (Co-Lead Counsel) 600-251 Goyeau St. Windsor, ON N9A 6V4	Siskinds LLP (Co-Lead Counsel) 302-100 Lombard St. Toronto, ON M5C 1M3	Belleau Lapointe LLP (Québec Class Counsel) 306 D'Youville Place (B-10) Montréal, QC H2Y 2B6
Roy O'Connor LLP 2300-200 Front St. W. Toronto, ON M5V 3K2	Koskie Minsky LLP 900-20 Queen St. W., Box 52 Toronto, ON M5H 3R3	Camp Fiorante Matthews Mogerman 400-856 Homer St. Vancouver, BC V6B 2W5
Rochon Genova LLP 900-121 Richmond St. W. Toronto, ON M5H 2K1	McKenzie Lake Lawyers LLP 1800-140 Fullarton St. London, ON N6A 5P2	Branch MacMaster LLP 1410-777 Hornby St. Vancouver, BC V6Z 1S4

You will not be charged for contacting these lawyers. Class Counsel can be reached by telephone at:

- Canadian residents except for Québec: 1-866-881-2292 or 1-844-425-2934; and

Volkswagen / Audi
2.0L TDI Emissions Settlement in Canada
OFFICIAL COURT COMMUNICATION – DO NOT DISCARD

- Québec residents and French inquiries: 1-888-987-6701.

X. HOW WILL CLASS COUNSEL BE PAID?

In addition to the Settlement benefits described above, Volkswagen has agreed to pay the legal fees and costs of Class Counsel that are approved by the courts. This means that, if eligible, Settlement Class Members will receive 100% of the compensation described in this Notice and their compensation will not be reduced by legal fees or costs.

Y. HOW DO I GET MORE INFORMATION?

This Notice is only a summary of some of the terms of the Settlement. If there is a conflict between this Notice and the Settlement, the Settlement applies.

If you are a non-Volkswagen dealer or a leasing company, your rights could be affected by the Settlement in a manner not described in this Notice. You should consult the Settlement Agreement, which is available at www.VWCanadaSettlement.ca

In addition, registration to receive updates about the status of the Settlement, and more detailed information about the options Settlement Class Members may have, is available at www.VWCanadaSettlement.ca and by calling the Claims Administrator 1-888-670-4773.

Exhibit 4

INDIVIDUAL RELEASE OF CLAIMS

Quenneville et al v. Volkswagen Group Canada, Inc. et al

Court File No. CV-537029-00CP

and

Option consommateurs & Francois Grondin v. Volkswagen Group Canada, Inc. et al

Court File No. 500-06-000761-151

(collectively, the “Actions”)

MUST BE COMPLETED BY ELIGIBLE CLAIMANT PRIOR TO RECEIVING BUYBACK, BUYBACK WITH TRADE-IN, EARLY LEASE TERMINATION, SURRENDER FOR INOPERABILITY AND / OR DAMAGES PAYMENT

1. In exchange for benefits that (a) the Claims Administrator, RicePoint Administration Inc., has determined I am eligible to receive under the Settlement Agreement in the Actions,¹ and (b) Volkswagen Aktiengesellschaft, Audi Aktiengesellschaft, Volkswagen Group of America, Inc., Volkswagen Group Canada Inc., Audi Canada, Inc. and VW Credit Canada, Inc. (individually and collectively, the “VW Released Entities”) have agreed to provide to me, the sufficiency of which I hereby acknowledge, I, on behalf of myself and my agents, heirs, executors and administrators, successors, assigns, insurers, lawyers, representatives, shareholders, owners associations and any other legal or natural person who may claim by, through or under me, hereby fully, finally, irrevocably and forever release, waive, discharge, relinquish, settle and acquit any and all claims, demands, actions or causes of action, whether known or unknown, that I may have, purport to have, or may hereafter have against any of the Released Parties arising out of or in any way related to the 2.0-Litre Diesel Matter, except for claims of personal injury or wrongful death. For the avoidance of doubt, claims relating to 3.0-litre diesel vehicles are not subject to this Individual Release.

2. “Released Parties” means any person who, or entity that, is or could be responsible or liable in any way whatsoever, whether directly or indirectly, for the 2.0-Litre Diesel Matter. The Released Parties include, without limitation: (a) the VW Released Entities; (b) any and all contractors, subcontractors and suppliers of the VW Released Entities; (c) any and all persons and entities indemnified by any VW Released Entity with respect to the 2.0-Litre Diesel Matter; (d) any and all other persons and entities involved in the design, research, development, manufacture, assembly, testing, sale, leasing, repair, warranting, marketing, advertising, public relations, promotion or distribution of Eligible Vehicles, even if such persons are not specifically named herein, including without limitation all authorized Volkswagen- and Audi-brand dealers, and non-authorized dealers and sellers, located in Canada; (e) RicePoint Administration Inc.; (f) lenders, creditors, financial institutions or any other parties that financed the purchase or lease of Eligible Vehicles; and (g) for each of the foregoing, their respective former, present and future affiliates, parent companies, subsidiaries, predecessors,

¹ A copy of the Settlement Agreement is available at www.VWCanadaSettlement.ca.

successors, shareholders, indemnitors, subrogees, spouses, joint ventures, general or limited partners, lawyers, assigns, principals, officers, directors, employees, members, agents, representatives, trustees, insurers, reinsurers, heirs, beneficiaries, wards, estates, executors, administrators, receivers, conservators, personal representatives, divisions, dealers and suppliers.

3. The “2.0-Litre Diesel Matter” means (a) the installation or presence of any software or auxiliary emission control device in any Eligible Vehicles; (b) the design, manufacture, assembly, testing or development of any software or auxiliary emission control device used or for use in the Eligible Vehicles; (c) the marketing or advertisement of Eligible Vehicles as green, environmentally friendly and / or compliant with federal, provincial or territorial emissions regulations; (d) the alleged noncompliance of Eligible Vehicles with Canadian emissions regulations; and / or (e) the subject matter of the Actions, as well as any related events or allegations, with respect to Eligible Vehicles.

4. “Eligible Vehicles” means the 2.0-litre diesel engine vehicles that are included in the Settlement Agreement, as defined in Section 2.41 of the Settlement Agreement.

5. This Individual Release incorporates by reference the release and associated provisions set forth in Section 5 of the Settlement Agreement as if set forth fully herein, and, as to those provisions, shall have the same scope and effect as the Settlement Agreement. This Individual Release supplements and does not supersede the release and associated provisions set forth in Section 5 of the Settlement Agreement.

6. For the avoidance of doubt, I expressly understand and acknowledge that I may hereafter discover claims presently unknown or unsuspected, or facts in addition to or different from those that I know or believe to be true, related to the 2.0-Litre Diesel Matter, the Actions and / or this Individual Release. Nevertheless, it is my intention in executing this Individual Release to fully, finally, irrevocably and forever release, waive, discharge, relinquish, settle and acquit all such matters, and all claims relating thereto which exist, hereafter may exist or might have existed (whether or not previously or currently asserted in any action or proceeding) with respect to the 2.0-Litre Diesel Matter in accordance with the terms of the Settlement Agreement.

7. Notwithstanding the above, in the event that I am a resident of a province or territory where the release of one tortfeasor is a release of all other tortfeasors, I do not release the Released Parties but instead irrevocably covenant not to sue the Released Parties, or any of them, including on a joint, several and / or solidary liability basis, and undertake not to make any claim in any way or to threaten, commence, participate in, or continue any proceeding in any jurisdiction against the Released Parties, or any of them for, in respect of, or in relation to the 2.0-Litre Diesel Matter, or any of them.

8. This Individual Release is not intended to and expressly does not release Robert Bosch GmbH or Robert Bosch, LLC and any of their former, present and future owners, shareholders, directors, officers, employees, lawyers, affiliates, parent companies, subsidiaries, predecessors and successors (the “Bosch Entities”).

9. If I elect to pursue a claim against any Bosch Entity related to the 2.0-Litre Diesel Matter, either individually or as a member of a class action, and obtain a final, non-appealable adversary judgment against that Bosch Entity for damages as to which any Bosch Entity seeks indemnification or contribution from one or more of the Released Parties, I will waive enforcement of my judgment against that Bosch Entity by the amount of the damages that such Released Parties are held to be responsible for by way of indemnification of or contribution to any Bosch Entity, but not more than the Damages Payment amount that I receive from all Released Parties. However, I shall have no obligation to reduce my judgment against any Bosch Entity unless and until any Bosch Entity has obtained—in the face of a vigorously litigated defence—a final, non-appealable adversary judgment for indemnification or contribution against one or more of the Released Parties. In the event that any Bosch Entity obtains such a judgment against a Released Party after I have recovered on a judgment against that Bosch Entity, I will return to the Bosch Entity the amount of the judgment against it by which I agree herein to reduce that judgment, which amount will not exceed the Damages Payment amount that I receive from all Released Parties. In addition, I agree not to enter into any agreement to settle any claim I may have against any Bosch Entity, unless such agreement expressly provides that the Released Parties shall be released from any claim for indemnification or contribution by a Bosch Entity against any Released Party that relates to my claim against the Bosch Entity.

10. “Damages Payment” means the cash payment benefit in the amount set forth in Section 2.32 and associated provisions of the Settlement Agreement based on the brand and model year of the subject vehicle.

11. This Individual Release is effective and binding when I receive a benefit under the Settlement Agreement. For clarity, I understand that, if I obtain a vehicle emissions modification that is approved by regulators and performed by an authorized Volkswagen- or Audi-brand dealer, this Individual Release is effective when I receive a Damages Payment for the modification, or in the case of a modification having more than one stage, this Individual Release is effective the first time that I receive any portion of a Damages Payment for a stage of the modification. Notwithstanding the foregoing, nothing herein prohibits or restricts me from receiving any further stages of the emissions modification or other benefits for which I am eligible in accordance with the Settlement Agreement. It is further acknowledged that, if I am eligible for benefits under the Settlement Agreement in respect of more than one vehicle, this Individual Release is effective and binding when I receive a benefit under the Settlement Agreement for the first of these vehicles. Notwithstanding the foregoing, nothing herein prohibits or restricts me from making a claim for any other vehicles and receiving benefits for those other vehicles in accordance with the Settlement Agreement.

12. This Individual Release shall remain effective regardless of any judicial, quasi-judicial, arbitral, administrative, regulatory or other decision relating to the liability of any Released Party in connection with the 2.0-Litre Diesel Matter. For the avoidance of doubt, this Individual Release shall remain effective even if a Court's order approving the Settlement Agreement is reversed and / or vacated on appeal, or if the Settlement Agreement is terminated or abrogated or otherwise voided in whole or in part.

13. This Individual Release shall be governed by and interpreted in accordance with the laws of the Province of Ontario and federal laws of Canada applicable therein, notwithstanding its conflict of law provisions. Any disagreement concerning and / or action to enforce specifically my Individual Release shall be commenced and maintained only by the Ontario Superior Court of Justice if I am a member of the National Settlement Class, or by the Superior Court of Québec if I am a member of the Québec Settlement Class.

14. I am a member of the Québec Settlement Class if the subject vehicle is identified based on reasonably available information as having been registered in Québec on September 18, 2015. Alternatively, if I am not a member of the Québec Settlement Class, I am a member of the National Settlement Class.

15. This Individual Release will be binding upon my successors, transferees and assignees, if any.

16. I represent and warrant that I have carefully read and understand this Individual Release and that I execute it freely, voluntarily and without being pressured or influenced by, or relying on, any statement or representation made by any person or entity acting on behalf of any Released Party. I certify that I understand that I have the right to consult with a lawyer of my choice before signing this Individual Release.

17. I represent and warrant that I have authority to execute this Individual Release and that I am the sole and exclusive owner of all claims that I am releasing pursuant to this Individual Release. I acknowledge that, except as provided in Sections 4.10.6 and 4.10.7 of the Settlement Agreement, I have not assigned, pledged or in any manner whatsoever, sold, transferred or encumbered any right, title, interest or claim arising out of or in any way whatsoever pertaining to the 2.0-Litre Diesel Matter.

*****SIGNATURE PAGE FOLLOWS*****

Exhibit 5

Estimated Settlement Payments

EXHIBIT “5”

Estimated Settlement Payments

This Exhibit is presented for informational purposes only. It provides a summary of some of the benefits under the Settlement Agreement. The type of payment and choice of benefits that may be available to you depend on whether you are an Eligible Owner, Eligible Seller, Eligible Purchaser or Eligible Lessee.

To help determine if you may fall into one of these categories, complete the Check My Eligibility questions online at www.VWCanadaSettlement.ca or by calling 1-888-670-4773.

This Exhibit does not deal with all circumstances in which benefits may be paid, or the amounts of all benefits. The Settlement Agreement should be consulted for the complete terms and conditions. In the event of any inconsistency between this Exhibit and the Settlement Agreement, the Settlement Agreement will govern.

Unless otherwise provided in this Exhibit, capitalized terms have the same meaning as set forth in the Settlement Agreement, and all amounts referred to are in Canadian dollars.

ELIGIBLE OWNERS

Table 1 and Table 2 show ranges of payment amounts to Eligible Owners under the Settlement Agreement. These tables apply if you owned an Eligible Vehicle when the emissions accusations became public on September 18, 2015 and continue to own the vehicle when you participate in the settlement program.

If you are such an owner, the benefits you can receive depend on whether you choose the **Approved Emissions Modification**, **Buyback** or **Trade-In** option under the settlement program. If your vehicle is Inoperable when you participate in the settlement program, it may affect the benefits you are eligible to receive.

If you choose the Approved Emissions Modification, you will receive the modification at no charge and a transferrable extended emissions warranty, plus a cash payment. The cash payments are shown in Table 1 below. For model year 2015 vehicles, the modification will be performed in two stages, in which case you will receive the first half of the cash payment upon completion of the first stage of the modification, and the second half of the cash payment, together with a free oil and filter change, upon completion of the second stage of the modification. The Approved Emissions Modification will only be available if a modification of the emissions system for your vehicle is approved by appropriate regulators. If there is no Approved Emissions Modification for your vehicle by June 15, 2018, the Buyback and Trade-In options will continue to be available to you.

Table 1

Payments to Eligible Owners Choosing the Approved Emissions Modification

Model Year	VW Eligible Owners	Audi Eligible Owners
2009	\$5,100	N/A
2010	\$5,100	\$5,200
2011	\$5,100	\$5,200
2012	\$5,250	\$5,350
2013	\$5,500	\$5,950
2014	\$5,950	N/A
2015	\$7,000	\$8,000

If you choose a Buyback, Volkswagen will offer to buy back your vehicle at its Vehicle Value and provide an additional cash payment (see Table 2 below). Vehicle Value is your vehicle's wholesale value on September 18, 2015, as independently determined by Canadian Black Book, Inc. ("**CBB**"), based on your vehicle's brand, model year, model, trim level, factory options and mileage at the time that the offer is made.

Vehicle Value will be determined based on your vehicle's mileage no more than 20 days before the Buyback, provided that the mileage does not increase by more than 2,000 kilometres when you bring your vehicle into a Volkswagen or Audi dealership to participate in

the Buyback. If your vehicle's mileage exceeds this allowance, your Buyback will need to be rescheduled and your Vehicle Value may change.

Because Vehicle Value is specific to your vehicle's mileage, Table 2 below shows only ranges of possible payments that you may receive.

Table 2
Payments to Eligible Owners Choosing the Buyback

Model Year	Model	Vehicle Value Range	+	Cash Payment	=	Total Payment Range
2009	VW Jetta TDI	\$ 2,671 - \$ 14,364	+	\$ 5,100	=	\$ 7,771 - \$ 19,464
	VW Jetta Wagon TDI	\$ 2,916 - \$ 14,904	+	\$ 5,100	=	\$ 8,016 - \$ 20,004
2010	VW Jetta TDI	\$ 2,965 - \$ 15,444	+	\$ 5,100	=	\$ 8,065 - \$ 20,544
	VW Golf TDI	\$ 5,047 - \$ 16,956	+	\$ 5,100	=	\$ 10,147 - \$ 22,056
	VW Golf Wagon TDI	\$ 5,341 - \$ 18,036	+	\$ 5,100	=	\$ 10,441 - \$ 23,136
	Audi A3	\$ 6,787 - \$ 20,736	+	\$ 5,200	=	\$ 11,987 - \$ 25,936
2011	VW Jetta TDI	\$ 4,288 - \$ 16,632	+	\$ 5,100	=	\$ 9,388 - \$ 21,732
	VW Golf TDI	\$ 5,317 - \$ 18,576	+	\$ 5,100	=	\$ 10,417 - \$ 23,676
	VW Golf Wagon TDI	\$ 5,562 - \$ 19,656	+	\$ 5,100	=	\$ 10,662 - \$ 24,756
	Audi A3	\$ 8,208 - \$ 24,354	+	\$ 5,200	=	\$ 13,408 - \$ 29,554
2012	VW Jetta TDI	\$ 5,488 - \$ 18,468	+	\$ 5,250	=	\$ 10,738 - \$ 23,718
	VW Golf TDI	\$ 6,942 - \$ 20,466	+	\$ 5,250	=	\$ 12,192 - \$ 25,716
	VW Passat TDI	\$ 6,493 - \$ 25,272	+	\$ 5,250	=	\$ 11,743 - \$ 30,522
	VW Golf Wagon TDI	\$ 6,689 - \$ 21,384	+	\$ 5,250	=	\$ 11,939 - \$ 26,634
	Audi A3	\$ 8,796 - \$ 26,568	+	\$ 5,350	=	\$ 14,146 - \$ 31,918
2013	VW Jetta TDI	\$ 6,738 - \$ 23,166	+	\$ 5,500	=	\$ 12,238 - \$ 28,666
	VW Beetle TDI	\$ 11,501 - \$ 21,978	+	\$ 5,500	=	\$ 17,001 - \$ 27,478
	VW Golf TDI	\$ 8,310 - \$ 21,708	+	\$ 5,500	=	\$ 13,810 - \$ 27,208
	VW Passat TDI	\$ 7,081 - \$ 28,134	+	\$ 5,500	=	\$ 12,581 - \$ 33,634
	VW Golf Wagon TDI	\$ 7,448 - \$ 23,004	+	\$ 5,500	=	\$ 12,948 - \$ 28,504
	Audi A3	\$ 14,561 - \$ 28,620	+	\$ 5,950	=	\$ 20,511 - \$ 34,570
2014	VW Jetta TDI	\$ 7,225 - \$ 26,406	+	\$ 5,950	=	\$ 13,175 - \$ 32,356
	VW Beetle TDI	\$ 15,510 - \$ 25,002	+	\$ 5,950	=	\$ 21,460 - \$ 30,952
	VW Passat TDI	\$ 8,525 - \$ 29,268	+	\$ 5,950	=	\$ 14,475 - \$ 35,218
	VW Golf Wagon TDI	\$ 7,925 - \$ 25,542	+	\$ 5,950	=	\$ 13,875 - \$ 31,492
2015	VW Jetta TDI	\$ 8,894 - \$ 28,566	+	\$ 7,000	=	\$ 15,894 - \$ 35,566
	VW Beetle TDI	\$ 19,780 - \$ 26,676	+	\$ 7,000	=	\$ 26,780 - \$ 33,676
	VW Golf TDI	\$ 8,100 - \$ 27,270	+	\$ 7,000	=	\$ 15,100 - \$ 34,270
	VW Passat TDI	\$ 15,265 - \$ 31,050	+	\$ 7,000	=	\$ 22,265 - \$ 38,050
	VW Golf Sportwagon TDI	\$ 17,369 - \$ 29,214	+	\$ 7,000	=	\$ 24,369 - \$ 36,214
	Audi A3	\$ 23,677 - \$ 38,664	+	\$ 8,000	=	\$ 31,677 - \$ 46,664

If you choose to trade in your vehicle at a Volkswagen or Audi dealership for a new or used Volkswagen or Audi vehicle, the purchase price of the vehicle you are buying will be reduced by your current vehicle's Fair Market Value at the time of the Trade-In. This will reduce the taxable portion that must be paid on the replacement vehicle. In addition, you will receive a cash payment equal to the difference between your vehicle's Vehicle Value (*i.e.*, its September 18, 2015 wholesale value as determined by CBB) and its Fair Market Value at the time of the Trade-In, plus an additional cash payment.

The Vehicle Value and Fair Market Value will be determined based on your vehicle's mileage no more than 20 days before the Trade-In, provided that the mileage does not increase by more than 2,000 kilometres when you bring your vehicle into the dealership to participate in the Trade-In. If your vehicle's mileage exceeds this allowance, your Trade-In will need to be rescheduled and your Vehicle Value and Fair Market Value may change.

The total cash payment for a Trade-In can be estimated by the "Total" amount set forth in Table 2 to Exhibit 5 of the Settlement Agreement that applies based on your vehicle's brand and model year, less your vehicle's Fair Market Value at the time of the Trade-In. In addition to mileage, Fair Market Value is determined by a vehicle's brand, model year, model, trim level, factory options, mileage and market conditions. The Fair Market Value of your vehicle will be determined independently by CBB at the time of the Trade-In. It cannot be accurately assessed at this time. If you are considering this option, you are encouraged to visit www.canadianblackbook.com to obtain up-to-date information from CBB on the market value for your vehicle.

ELIGIBLE SELLERS

Table 3 shows ranges of payment amounts to Eligible Sellers under the Settlement Agreement. This table applies if you owned an Eligible Vehicle when the emissions accusations became public on September 18, 2015, and sell it before January 4, 2017. If you are such a seller, you can select a **cash payment** as shown below.

Table 3
Payments to Eligible Sellers

Model Year	VW Eligible Sellers	Audi Eligible Sellers
2009	\$2,550	N/A
2010	\$2,550	\$2,600
2011	\$2,550	\$2,600
2012	\$2,625	\$2,675
2013	\$2,750	\$2,975
2014	\$2,975	N/A
2015	\$3,500	\$4,000

ELIGIBLE PURCHASERS

Table 4 shows ranges of payment amounts to Eligible Purchasers under the Settlement Agreement. This table applies if you acquired your vehicle after the emissions accusations became public on September 18, 2015, and continue to own the vehicle when you participate in the settlement program, but not if you acquired the vehicle at the end of your lease with VW Credit Canada, Inc. (“VCCI”) (also known as Volkswagen Finance and Audi Finance).

If you are such a purchaser, you can select an **Approved Emissions Modification** at no charge and receive a transferrable extended emissions warranty, plus a cash payment. If your vehicle is Inoperable when you participate in the settlement program, it may affect the benefits you are eligible to receive.

For model year 2015 vehicles, the modification will be performed in two stages, in which case you will receive the first half of the cash payment upon completion of the first stage of the modification, and the second half of the cash payment, together with a free oil and filter change, upon completion of the second stage of the modification.

The cash payments are shown below. As identified in Table 4, the amount of the cash payments depends upon whether your vehicle was previously under lease from VCCI to someone else on September 18, 2015. To determine whether this applies to your vehicle, visit www.VWCanadaSettlement.ca and enter your vehicle’s Vehicle Identification Number, also known as VIN, in the Vehicle Look-Up section.

Table 4
Payments to Eligible Purchasers

Model Year	VW Eligible Purchasers		Audi Eligible Purchasers	
	Retail Vehicle Not Under Lease from VCCI on Sept. 18, 2015	Vehicle Under Lease from VCCI on Sept. 18, 2015	Retail Vehicle Not Under Lease from VCCI on Sept. 18, 2015	Vehicle Under Lease from VCCI on Sept. 18, 2015
2009	\$2,550	\$1,275	N/A	N/A
2010	\$2,550	\$1,275	\$2,600	\$1,300
2011	\$2,550	\$1,275	\$2,600	\$1,300
2012	\$2,625	\$1,312.50	\$2,675	\$1,337.50
2013	\$2,750	\$1,375	\$2,975	\$1,487.50
2014	\$2,975	\$1,487.50	N/A	N/A
2015	\$3,500	\$1,750	\$4,000	\$2,000

The Approved Emissions Modification will only be available if a modification of the emissions system for your vehicle is approved by appropriate regulators. If there is no Approved Emissions Modification for your vehicle by June 15, 2018, Buyback and Trade-In options will be made available to you (see the Eligible Owner section for more details on the Buyback and Trade-In options).

ELIGIBLE LESSEES

Table 5 shows ranges of payment amounts to Eligible Lessees under the Settlement Agreement. This table applies if you were leasing an Eligible Vehicle from VCCI when the emissions accusations became public on September 18, 2015.

If you are such a lessee, the benefits you can receive depend upon whether your lease has concluded or remains active, and on whether you purchase and continue to own your leased vehicle, when you participate in the settlement program.

In particular, if your **lease has ended** when you participate in the settlement program, you can select a **cash payment** as shown in column A of Table 5.

If instead your **lease remains active** when you participate in the settlement program, the benefits you can receive depend on whether you choose an **Early Lease Termination** or the **Approved Emissions Modification**.

If you choose an Early Lease Termination, you can terminate your lease before the end of the lease term without any early termination penalty and receive a cash payment as shown in column A of Table 5.

If you choose the Approved Emissions Modification, you will receive the modification at no charge and a transferrable extended emissions warranty, plus a cash payment. The cash payments are shown in column A of Table 5. For model year 2015 vehicles, the modification will be performed in two stages, in which case you will receive the first half of the cash payment upon completion of the first stage of the modification, and the second half of the cash payment, together with a free oil and filter change, upon completion of the second stage of the modification.

In the event that you **purchase your vehicle** at the conclusion of your lease and **continue to own your vehicle** when you participate in the settlement program, you can select the **Approved Emissions Modification**. Even if you **sell your vehicle** before receiving the Approved Emissions Modification, you remain eligible for a **cash payment** as shown in column B of Table 5.

Table 5
Payments to Eligible Lessees

Model Year	VW Eligible Lessees		Audi Eligible Lessees	
	A	B	A	B
2009	\$2,550	\$1,275	N/A	N/A
2010	\$2,550	\$1,275	\$2,600	\$1,300
2011	\$2,550	\$1,275	\$2,600	\$1,300
2012	\$2,625	\$1,312.50	\$2,675	\$1,337.50
2013	\$2,750	\$1,375	\$2,975	\$1,487.50
2014	\$2,975	\$1,487.50	N/A	N/A
2015	\$3,500	\$1,750	\$4,000	\$2,000

The Approved Emissions Modification will only be available if a modification of the emissions system for your vehicle is approved by appropriate regulators. If there is no Approved Emissions Modification for your vehicle by June 15, 2018, Early Lease Termination will be available to Eligible Lessees who continue to lease their vehicle, and Buyback and Trade-in options will be made available to Eligible Lessees who purchase and continue to own their vehicle.

If your vehicle is Inoperable when you participate in the settlement program, it may affect the benefits you are eligible to receive.

TOTALLED VEHICLES

Table 6 shows ranges of payment amounts for Totalled Vehicles under the Settlement Agreement. This table may apply if you owned an Eligible Vehicle when the emissions accusations became public on September 18, 2015 and subsequently transfer title to an insurance company because your vehicle is totalled or appraised as a total loss.

If you are such an owner, you may be entitled to a **cash payment** as shown below. As identified in Table 6, the availability and amount of the cash payments depend upon the date when title of a vehicle that is totalled transfers to an insurance company.

Table 6
Payments for Totalled Vehicles

Model Year	VW Owner of Totalled Vehicle		Audi Owner of Totalled Vehicle	
	Title Transfer to Insurance Company On or After March 5, 2017	Title Transfer to Insurance Company Before January 4, 2017	Title Transfer to Insurance Company On or After March 5, 2017	Title Transfer to Insurance Company Before January 4, 2017
2009	\$5,100	\$2,550	N/A	N/A
2010	\$5,100	\$2,550	\$5,200	\$2,600
2011	\$5,100	\$2,550	\$5,200	\$2,600
2012	\$5,250	\$2,625	\$5,350	\$2,675
2013	\$5,500	\$2,750	\$5,950	\$2,975
2014	\$5,950	\$2,975	N/A	N/A
2015	\$7,000	\$3,500	\$8,000	\$4,000

Schedule A

SCHEDULE "A"

Affected 2.0-Litre TDI (Diesel) Vehicles

Brand	Model	Model Year(s)
Volkswagen	Jetta TDI	2009-2015
Volkswagen	Jetta Wagon TDI	2009
Volkswagen	Golf TDI	2010-2013, 2015
Volkswagen	Passat TDI	2012-2015
Volkswagen	Beetle TDI	2013-2015
Volkswagen	Golf Wagon TDI	2010-2014
Volkswagen	Golf Sportwagon TDI	2015
Audi	A3	2010-2013, 2015

Schedule B

Unless otherwise provided in this Schedule, capitalized terms have the same meaning as set forth in the Settlement Agreement.

SCHEDULE “B”

Mileage Allowance for Buybacks and Buybacks With Trade-In

To determine their Vehicle Value and, if applicable, Fair Market Value, Eligible Owners choosing a Buyback or Buyback With Trade-In must provide the Claims Administrator with their vehicle’s current mileage (“**Current Mileage**”) no more than twenty (20) days before surrendering their vehicle to an Authorized VW Dealer (the “**Surrender Proxy Date**”).

Vehicle Value and Fair Market Value will be determined from the CBB Wholesale Category applicable to a vehicle based on its Current Mileage on the Surrender Proxy Date provided that, when the vehicle is actually surrendered to an Authorized VW Dealer, the mileage is within zero to 2000 kilometres, inclusive, of the Current Mileage (the “**Allowance**”).

If their vehicle’s mileage is within the Allowance when it is surrendered to an Authorized VW Dealer, Eligible Owners will be able to complete the Buyback or Buyback With Trade-In for a payment amount based on the Vehicle Value and, if applicable, Fair Market Value, provided other requirements are met.

If, on the other hand, their vehicle’s mileage exceeds the Allowance when it is surrendered to an Authorized VW Dealer, their Vehicle Value and, if applicable, Fair Market Value will no longer be considered applicable and, as a result, Eligible Owners will not be able to complete the Buyback or Buyback With Trade-In, or obtain any payment, at that time. In such circumstances, Eligible Owners will be required to restart the process of scheduling a Buyback or Buyback With Trade-In, subject to an Authorized VW Dealer’s availability, and to establish a new Vehicle Value and, if applicable, Fair Market Value with a Current Mileage on a Surrender Proxy Date.

Schedule C

SCHEDULE "C"

Redacted List of VINs of Vehicles Excluded as Eligible Vehicles

WAUA076005	WAUC059602	1VWA033625	1VWA048837	1VWA028542	1VWA064806	1VWA116329
WAUA111318	WAUC083219	1VWA037772	1VWA058249	1VWA029402	1VWA065177	1VWA024730
WAUA122660	WAUC094849	1VWA042146	1VWA062396	1VWA041632	1VWA065289	1VWA025988
WAUA085537	WAUC098741	1VWA044396	1VWA062432	1VWA043512	1VWA065440	1VWA041706
WAUA094674	WAUC116395	1VWA045970	1VWA062611	1VWA049214	1VWA066281	1VWA042211
WAUA131853	WAUD036950	1VWA058234	1VWA062673	1VWA049312	1VWA066751	1VWA060496
WAUA079388	WAUD102476	1VWA062686	1VWA062995	1VWA056583	1VWA069178	1VWA062183
WAUA107572	WAUD073281	1VWA063059	1VWA064035	1VWA056616	1VWA081234	1VWA062345
WAUA046287	WAUD096088	1VWA070500	1VWA065444	1VWA057894	1VWA086370	1VWA062393
WAUA105256	WAUD067960	1VWA081111	1VWA065847	1VWA062609	1VWA088006	1VWA062880
WAUA078116	WAUD093474	1VWA086468	1VWA065928	1VWA062867	1VWA088460	1VWA065472
WAUA095319	WAUD097646	1VWA087328	1VWA071583	1VWA063047	1VWA088619	1VWA067044
WAUA131896	WAUD126670	1VWA090858	1VWA072572	1VWA064862	1VWA091214	1VWA068310
WAUA081896	WAUD036878	1VWA091041	1VWA078405	1VWA065297	1VWA103684	1VWA068808
WAUB019564	WAUD110509	1VWA091363	1VWA086312	1VWA065932	1VWA103717	1VWA070350
WAUC036359	WAUD084673	1VWA092965	1VWA088125	1VWA086182	1VWA116175	1VWA075421
WAUC082922	WAUD116277	1VWA100756	1VWA092336	1VWA087025	1VWA024394	1VWA084622
WAUC094682	WAUD059538	1VWA023184	1VWA093213	1VWA088207	1VWA041180	1VWA091134
WAUC105222	WAUD081278	1VWA024013	1VWA026121	1VWA102784	1VWA053670	1VWA091893
WAUC082291	WAUD102467	1VWA025338	1VWA030086	1VWA103885	1VWA056164	1VWA102553
WAUC089015	WAUD105238	1VWA029938	1VWA044103	1VWA106849	1VWA056276	1VWA104559
WAUC087208	WAUG044351	1VWA031897	1VWA044716	1VWA116250	1VWA056651	1VWA015521
WAUC036834	WAUG085457	1VWA041362	1VWA047082	1VWA029747	1VWA056844	1VWA023151
WAUC091655	WAUG094174	1VWA044956	1VWA047227	1VWA035032	1VWA057878	1VWA023666
WAUC101486	WAUG111137	1VWA045069	1VWA047468	1VWA037671	1VWA061932	1VWA023778
WAUC126291	WAUG090419	1VWA055939	1VWA056591	1VWA040098	1VWA062370	1VWA024784
WAUC038818	WAUG126612	1VWA060641	1VWA058003	1VWA042983	1VWA063163	1VWA030097
WAUC059622	WAUG111133	1VWA062941	1VWA062343	1VWA044085	1VWA063471	1VWA031914
WAUC103358	WAUH095126	1VWA064818	1VWA062830	1VWA046578	1VWA064636	1VWA043920
WAUC037189	WAUH083164	1VWA065287	1VWA063069	1VWA048038	1VWA064751	1VWA044887
WAUC110903	WAUH053267	1VWA067217	1VWA064674	1VWA048721	1VWA064832	1VWA045344
WAUC112134	WAUH126642	1VWA078847	1VWA068983	1VWA057001	1VWA068217	1VWA047711
WAUC137642	WAUH043648	1VWA086012	1VWA070782	1VWA060173	1VWA068539	1VWA062368
WAUC088242	WAUH113675	1VWA087421	1VWA072662	1VWA060609	1VWA068699	1VWA065366
WAUC111714	WAUH113158	1VWA099312	1VWA076078	1VWA060755	1VWA070436	1VWA065724
WAUC055041	WAUH113810	1VWA024960	1VWA108320	1VWA063218	1VWA087365	1VWA066114
WAUC087519	1VWA033012	1VWA029897	1VWA023700	1VWA063235	1VWA090217	1VWA067179
WAUC123984	1VWA013867	1VWA035263	1VWA026161	1VWA063350	1VWA101684	1VWA067490
WAUC124066	1VWA027985	1VWA041290	1VWA027956	1VWA064644	1VWA102057	1VWA068428

SCHEDULE "C"

Redacted List of VINs of Vehicles Excluded as Eligible Vehicles

1VWA070311	1VWA095251	1VWB036044	1VWB050258	1VWB057087	1VWB113232	1VWB033446
1VWA071345	1VWA116275	1VWB037968	1VWB050891	1VWB059289	1VWB114705	1VWB042647
1VWA074567	1VWA026553	1VWB041728	1VWB055282	1VWB060572	1VWB027878	1VWB043331
1VWA077713	1VWA043207	1VWB047867	1VWB056125	1VWB061107	1VWB028299	1VWB044124
1VWA083348	1VWA043322	1VWB048677	1VWB062927	1VWB061771	1VWB045250	1VWB045502
1VWA085486	1VWA044115	1VWB053474	1VWB064001	1VWB062080	1VWB046186	1VWB045631
1VWA087058	1VWA045071	1VWB055810	1VWB064287	1VWB062841	1VWB046768	1VWB045841
1VWA091451	1VWA045880	1VWB056925	1VWB066394	1VWB064511	1VWB046947	1VWB047315
1VWA098321	1VWA060069	1VWB057590	1VWB066749	1VWB067022	1VWB047290	1VWB049761
1VWA103324	1VWA060623	1VWB058142	1VWB068405	1VWB069918	1VWB048441	1VWB050005
1VWA105591	1VWA060945	1VWB061218	1VWB081865	1VWB075282	1VWB049900	1VWB050635
1VWA107339	1VWA062503	1VWB062837	1VWB084121	1VWB088050	1VWB050805	1VWB051011
1VWA017133	1VWA063697	1VWB064801	1VWB084961	1VWB089585	1VWB056880	1VWB051509
1VWA028097	1VWA065594	1VWB064894	1VWB085964	1VWB105557	1VWB057009	1VWB054135
1VWA030450	1VWA066972	1VWB065446	1VWB087133	1VWB109172	1VWB063344	1VWB062395
1VWA034241	1VWA068219	1VWB066046	1VWB087469	1VWB111410	1VWB065224	1VWB063191
1VWA037074	1VWA068737	1VWB066192	1VWB090310	1VWB114467	1VWB065434	1VWB064163
1VWA038256	1VWA076305	1VWB066290	1VWB092963	1VWB116638	1VWB065529	1VWB064227
1VWA041691	1VWA077129	1VWB067679	1VWB097872	1VWB024941	1VWB065577	1VWB064731
1VWA042226	1VWA079060	1VWB070596	1VWB100334	1VWB026236	1VWB066017	1VWB065362
1VWA043618	1VWA083450	1VWB073076	1VWB102200	1VWB030707	1VWB066082	1VWB068925
1VWA046695	1VWA083738	1VWB075667	1VWB103895	1VWB035115	1VWB069340	1VWB069752
1VWA053565	1VWA084355	1VWB084241	1VWB104769	1VWB042906	1VWB075896	1VWB072604
1VWA057888	1VWA084677	1VWB085681	1VWB105985	1VWB044851	1VWB081388	1VWB073039
1VWA061715	1VWA086350	1VWB086068	1VWB108790	1VWB048768	1VWB085862	1VWB076197
1VWA062492	1VWA087949	1VWB089035	1VWB115464	1VWB053386	1VWB090754	1VWB076717
1VWA062878	1VWA088518	1VWB094588	1VWB117599	1VWB054179	1VWB095338	1VWB087099
1VWA063397	1VWA092312	1VWB104746	1VWB117604	1VWB054263	1VWB100361	1VWB090567
1VWA064078	1VWA093086	1VWB106738	1VWB016927	1VWB062508	1VWB100537	1VWB091993
1VWA065070	1VWA100571	1VWB107341	1VWB025451	1VWB064405	1VWB102093	1VWB092058
1VWA065196	1VWA116799	1VWB115214	1VWB037003	1VWB064856	1VWB107309	1VWB102023
1VWA065487	1VWB014530	1VWB016112	1VWB037695	1VWB071015	1VWB110985	1VWB105438
1VWA067806	1VWB017350	1VWB023965	1VWB040807	1VWB077090	1VWB113000	1VWB107769
1VWA069491	1VWB023469	1VWB029832	1VWB044033	1VWB084427	1VWB114289	1VWB108081
1VWA082788	1VWB015551	1VWB031144	1VWB046042	1VWB084864	1VWB016484	1VWB016736
1VWA084492	1VWB023858	1VWB044105	1VWB049250	1VWB089059	1VWB023984	1VWB026652
1VWA086260	1VWB032754	1VWB046064	1VWB050723	1VWB089689	1VWB025217	1VWB026960
1VWA091135	1VWB035721	1VWB046596	1VWB054495	1VWB090941	1VWB027713	1VWB029597
1VWA092866	1VWB035783	1VWB049529	1VWB054741	1VWB110864	1VWB032961	1VWB033293

SCHEDULE "C"

Redacted List of VINs of Vehicles Excluded as Eligible Vehicles

1VWB044391	1VWB060910	1VWB084486	1VWB050839	1VWC065354	1VWC063517	1VWC050879
1VWB050160	1VWB061040	1VWB084830	1VWB054020	1VWC067928	1VWC065428	1VWC057248
1VWB056797	1VWB061460	1VWB092359	1VWB054051	1VWC069145	1VWC065882	1VWC062644
1VWB058243	1VWB062303	1VWB092779	1VWB054499	1VWC074586	1VWC067907	1VWC063485
1VWB061594	1VWB064892	1VWB101772	1VWB055362	1VWC085037	1VWC068099	1VWC064393
1VWB061613	1VWB066254	1VWB103540	1VWB055832	1VWC086169	1VWC069365	1VWC065222
1VWB062745	1VWB066285	1VWB110875	1VWB061355	1VWC094949	1VWC074033	1VWC070159
1VWB064219	1VWB066402	1VWB116806	1VWB061792	1VWC049325	1VWC078695	1VWC077757
1VWB064852	1VWB068036	1VWB116935	1VWB067981	1VWC049342	1VWC080852	1VWC083638
1VWB070585	1VWB073270	1VWB022627	1VWB072436	1VWC049910	1VWC088840	1VWC098866
1VWB071252	1VWB074659	1VWB023230	1VWB073389	1VWC060003	1VWC112716	1VWC102382
1VWB071428	1VWB077500	1VWB029772	1VWB076504	1VWC066755	1VWC114210	1VWC105976
1VWB073521	1VWB083281	1VWB029786	1VWB085350	1VWC066934	1VWC116216	1VWC109655
1VWB080081	1VWB083975	1VWB033210	1VWB086384	1VWC069302	1VWC116779	1VWC111860
1VWB080520	1VWB085662	1VWB043204	1VWB086837	1VWC075780	1VWC116989	1VWC115679
1VWB080629	1VWB085676	1VWB044904	1VWB086983	1VWC084186	1VWC016478	1VWC116928
1VWB081456	1VWB086486	1VWB048760	1VWB089155	1VWC085998	1VWC024158	1VWC029409
1VWB096619	1VWB086729	1VWB053196	1VWB092878	1VWC088321	1VWC028680	1VWC030091
1VWB100720	1VWB088142	1VWB057653	1VWB096400	1VWC091204	1VWC031322	1VWC048235
1VWB100782	1VWB088402	1VWB061105	1VWB104527	1VWC116067	1VWC042966	1VWC048879
1VWB106369	1VWB095687	1VWB061153	1VWB104785	1VWC023056	1VWC049044	1VWC049174
1VWB110082	1VWB102055	1VWB061945	1VWB105287	1VWC034560	1VWC049125	1VWC049319
1VWB112303	1VWB108003	1VWB062089	1VWB106407	1VWC046658	1VWC062263	1VWC049837
1VWB117601	1VWB116652	1VWB064747	1VWB109856	1VWC047597	1VWC065342	1VWC055024
1VWB022836	1VWB116957	1VWB068541	1VWC022680	1VWC056736	1VWC072811	1VWC062524
1VWB023016	1VWB026314	1VWB079085	1VWC071525	1VWC064688	1VWC073795	1VWC067786
1VWB024893	1VWB029729	1VWB084075	1VWC077939	1VWC067784	1VWC103085	1VWC080523
1VWB032931	1VWB039628	1VWB084383	1VWC069540	1VWC068689	1VWC105080	1VWC084779
1VWB035215	1VWB041055	1VWB089230	1VWC046354	1VWC081328	1VWC105564	1VWC087763
1VWB037028	1VWB042948	1VWB097862	1VWC029194	1VWC106566	1VWC116015	1VWC101788
1VWB041130	1VWB042996	1VWB103269	1VWC029244	1VWC114148	1VWC000791	1VWC105808
1VWB042830	1VWB043453	1VWB107001	1VWC029941	1VWC116479	1VWC024251	1VWC109504
1VWB043296	1VWB056333	1VWB035404	1VWC030040	1VWC039427	1VWC027392	1VWC016443
1VWB048157	1VWB061239	1VWB039517	1VWC043774	1VWC044661	1VWC043995	1VWC029242
1VWB050572	1VWB067655	1VWB041333	1VWC045945	1VWC049763	1VWC044919	1VWC037485
1VWB050622	1VWB069325	1VWB044703	1VWC049090	1VWC050556	1VWC048940	1VWC040662
1VWB051009	1VWB072788	1VWB046760	1VWC049588	1VWC054493	1VWC049036	1VWC049054
1VWB054069	1VWB074184	1VWB049058	1VWC049641	1VWC056874	1VWC049327	1VWC050527
1VWB056839	1VWB079496	1VWB050727	1VWC059599	1VWC062903	1VWC050641	1VWC067814

SCHEDULE "C"

Redacted List of VINs of Vehicles Excluded as Eligible Vehicles

1VWC071748	1VWC067970	3VW2065708	3VW2090365	3VW2053194	3VW2089404	3VW2070960
1VWC089277	1VWC068746	3VW2067233	3VW2090964	3VW2054586	3VW2089600	3VW2071591
1VWC103534	1VWC084221	3VW2067331	3VW2091791	3VW2054684	3VW2090231	3VW2072000
1VWC106403	1VWC086373	3VW2069340	3VW2094268	3VW2055480	3VW2090276	3VW2072658
1VWC114100	1VWC105116	3VW2072285	3VW2095081	3VW2055754	3VW2091797	3VW2072966
1VWC016466	1VWC116407	3VW2076501	3VW2099308	3VW2057469	3VW2092643	3VW2075575
1VWC028827	3VW2000826	3VW2077969	3VW2100845	3VW2057472	3VW2095414	3VW2075818
1VWC029234	3VW2014466	3VW2078510	3VW2101512	3VW2058301	3VW2098748	3VW2076323
1VWC054229	3VW2014905	3VW2078667	3VW2101624	3VW2060243	3VW2099818	3VW2076421
1VWC062797	3VW2014970	3VW2078717	3VW2101753	3VW2060792	3VW2100420	3VW2076533
1VWC069099	3VW2016010	3VW2078796	3VW2101851	3VW2061215	3VW2103155	3VW2076578
1VWC085724	3VW2016072	3VW2079284	3VW2102482	3VW2061537	3VW2015246	3VW2076631
1VWC085772	3VW2016153	3VW2079298	3VW2102773	3VW2065362	3VW2015909	3VW2076905
1VWC097582	3VW2016167	3VW2079995	3VW2014542	3VW2065426	3VW2017238	3VW2077116
1VWC114204	3VW2016654	3VW2081021	3VW2015206	3VW2066253	3VW2022245	3VW2077567
1VWC025225	3VW2016797	3VW2084310	3VW2015268	3VW2067192	3VW2025419	3VW2078394
1VWC029081	3VW2026777	3VW2084565	3VW2016100	3VW2070352	3VW2030748	3VW2078427
1VWC039979	3VW2032224	3VW2084680	3VW2017232	3VW2073476	3VW2035528	3VW2078816
1VWC043286	3VW2037178	3VW2084761	3VW2020955	3VW2076149	3VW2039272	3VW2079979
1VWC044583	3VW2037228	3VW2084873	3VW2021023	3VW2076183	3VW2040633	3VW2082588
1VWC049735	3VW2041425	3VW2084971	3VW2025248	3VW2076216	3VW2040681	3VW2084504
1VWC051520	3VW2042171	3VW2085005	3VW2030613	3VW2076491	3VW2043564	3VW2084549
1VWC054658	3VW2043935	3VW2085263	3VW2034094	3VW2076619	3VW2046920	3VW2084762
1VWC057382	3VW2045829	3VW2086557	3VW2035049	3VW2079312	3VW2047341	3VW2084793
1VWC064042	3VW2045989	3VW2086641	3VW2035102	3VW2084316	3VW2047453	3VW2084809
1VWC073940	3VW2046169	3VW2086896	3VW2035519	3VW2084591	3VW2053866	3VW2084860
1VWC082072	3VW2051565	3VW2087272	3VW2035729	3VW2084669	3VW2054063	3VW2085314
1VWC093119	3VW2052988	3VW2087305	3VW2035987	3VW2084686	3VW2054256	3VW2087807
1VWC107780	3VW2053381	3VW2087952	3VW2037044	3VW2084722	3VW2055116	3VW2088374
1VWC112445	3VW2053798	3VW2088065	3VW2041031	3VW2085059	3VW2060039	3VW2088455
1VWC029011	3VW2054529	3VW2088440	3VW2041255	3VW2085093	3VW2060610	3VW2089007
1VWC035052	3VW2054787	3VW2088485	3VW2042051	3VW2085160	3VW2060638	3VW2089184
1VWC048982	3VW2055180	3VW2088602	3VW2043670	3VW2087149	3VW2061952	3VW2089556
1VWC050411	3VW2055762	3VW2089393	3VW2045385	3VW2087359	3VW2063751	3VW2089606
1VWC053194	3VW2057799	3VW2089684	3VW2045547	3VW2088415	3VW2065080	3VW2089704
1VWC056354	3VW2060458	3VW2089698	3VW2046102	3VW2088818	3VW2065502	3VW2089766
1VWC064812	3VW2060749	3VW2089989	3VW2051624	3VW2088866	3VW2067248	3VW2090433
1VWC065555	3VW2062808	3VW2090026	3VW2052045	3VW2088897	3VW2067251	3VW2090514
1VWC065636	3VW2065384	3VW2090236	3VW2052370	3VW2088978	3VW2067718	3VW2092036

SCHEDULE "C"

Redacted List of VINs of Vehicles Excluded as Eligible Vehicles

3VW2094739	3VW2065136	3VW2099657	3VW2060558	3VW2099814	3VW2084559	3VW2041008
3VW2101110	3VW2065685	3VW2100659	3VW2060690	3VW2101240	3VW2084903	3VW2043423
3VW2500180	3VW2069350	3VW2101505	3VW2061788	3VW2102162	3VW2084979	3VW2043924
3VW2014462	3VW2071454	3VW2101715	3VW2067445	3VW2500164	3VW2085002	3VW2045253
3VW2015210	3VW2072622	3VW2103044	3VW2071494	3VW2015208	3VW2085033	3VW2045382
3VW2016065	3VW2073303	3VW2014423	3VW2075982	3VW2015497	3VW2085078	3VW2046824
3VW2016244	3VW2073429	3VW2014678	3VW2076131	3VW2015998	3VW2085128	3VW2047567
3VW2016552	3VW2074158	3VW2015264	3VW2076145	3VW2016083	3VW2085310	3VW2048217
3VW2017250	3VW2076153	3VW2016091	3VW2076419	3VW2016262	3VW2085355	3VW2053546
3VW2017328	3VW2076413	3VW2016138	3VW2076548	3VW2016343	3VW2086635	3VW2055975
3VW2017460	3VW2076623	3VW2016334	3VW2076582	3VW2016391	3VW2086957	3VW2056821
3VW2017619	3VW2076718	3VW2016382	3VW2078655	3VW2016665	3VW2088515	3VW2060108
3VW2018009	3VW2078422	3VW2017144	3VW2078820	3VW2016987	3VW2088546	3VW2060898
3VW2030290	3VW2084804	3VW2017208	3VW2079434	3VW2022269	3VW2088708	3VW2060982
3VW2035148	3VW2085192	3VW2017399	3VW2080535	3VW2022384	3VW2089552	3VW2061209
3VW2037417	3VW2085290	3VW2021128	3VW2084553	3VW2023549	3VW2089647	3VW2062005
3VW2039166	3VW2085399	3VW2021209	3VW2084584	3VW2036396	3VW2089650	3VW2062165
3VW2042181	3VW2085581	3VW2022277	3VW2084858	3VW2036494	3VW2089910	3VW2065096
3VW2043816	3VW2087198	3VW2022957	3VW2084889	3VW2037046	3VW2090300	3VW2065373
3VW2044027	3VW2087251	3VW2025907	3VW2084973	3VW2037113	3VW2090345	3VW2065518
3VW2045226	3VW2087332	3VW2030394	3VW2086495	3VW2042389	3VW2090393	3VW2065843
3VW2046084	3VW2087928	3VW2035840	3VW2088165	3VW2042893	3VW2093844	3VW2066930
3VW2046358	3VW2088139	3VW2036583	3VW2088425	3VW2046412	3VW2098980	3VW2073411
3VW2046571	3VW2088223	3VW2036907	3VW2088540	3VW2052176	3VW2099675	3VW2073506
3VW2049163	3VW2088495	3VW2037278	3VW2088649	3VW2053151	3VW2099739	3VW2073683
3VW2050216	3VW2088755	3VW2040651	3VW2089218	3VW2053179	3VW2100680	3VW2074333
3VW2051236	3VW2088934	3VW2041119	3VW2089364	3VW2053425	3VW2102655	3VW2075630
3VW2052838	3VW2089131	3VW2041198	3VW2089638	3VW2054350	3VW2500142	3VW2075708
3VW2052919	3VW2089436	3VW2047387	3VW2089719	3VW2060892	3VW2500173	3VW2076177
3VW2053469	3VW2089548	3VW2047891	3VW2089767	3VW2061010	3VW2014665	3VW2076275
3VW2055156	3VW2089971	3VW2051231	3VW2089946	3VW2061539	3VW2017663	3VW2076339
3VW2057523	3VW2090327	3VW2051441	3VW2090322	3VW2062805	3VW2017713	3VW2076387
3VW2058154	3VW2090439	3VW2051620	3VW2091244	3VW2070600	3VW2025911	3VW2076566
3VW2058610	3VW2090831	3VW2052055	3VW2092622	3VW2070788	3VW2029019	3VW2076647
3VW2060177	3VW2091171	3VW2054775	3VW2092927	3VW2072279	3VW2030252	3VW2076728
3VW2060647	3VW2091882	3VW2055277	3VW2093513	3VW2073044	3VW2032342	3VW2076924
3VW2060907	3VW2092630	3VW2057398	3VW2094354	3VW2076218	3VW2037184	3VW2076986
3VW2062107	3VW2099304	3VW2060222	3VW2098744	3VW2076607	3VW2037203	3VW2077281
3VW2065072	3VW2099349	3VW2060365	3VW2098954	3VW2076770	3VW2039257	3VW2078737

SCHEDULE "C"

Redacted List of VINs of Vehicles Excluded as Eligible Vehicles

3VW2079287	3VW2017512	3VW2079833	3VW2016286	3VW2078562	3VW2016331	3VW2078831
3VW2084473	3VW2023553	3VW2079976	3VW2016305	3VW2078769	3VW2017253	3VW2079817
3VW2084487	3VW2030633	3VW2079993	3VW2016398	3VW2078836	3VW2017334	3VW2082488
3VW2084912	3VW2039090	3VW2084286	3VW2017177	3VW2079324	3VW2018063	3VW2084631
3VW2084943	3VW2040627	3VW2084479	3VW2017356	3VW2079436	3VW2026499	3VW2084919
3VW2084974	3VW2041051	3VW2084577	3VW2025716	3VW2079890	3VW2030035	3VW2084967
3VW2085025	3VW2042121	3VW2084871	3VW2026137	3VW2082479	3VW2032240	3VW2085133
3VW2085364	3VW2042216	3VW2084885	3VW2026686	3VW2084880	3VW2032612	3VW2085441
3VW2087292	3VW2044046	3VW2084952	3VW2027515	3VW2084894	3VW2037955	3VW2087223
3VW2088121	3VW2045374	3VW2085132	3VW2027997	3VW2084961	3VW2042377	3VW2087254
3VW2088197	3VW2045486	3VW2087219	3VW2035565	3VW2085009	3VW2046090	3VW2087870
3VW2088345	3VW2045634	3VW2087852	3VW2036652	3VW2085057	3VW2046672	3VW2088159
3VW2088801	3VW2046136	3VW2088144	3VW2037042	3VW2085687	3VW2047658	3VW2088372
3VW2088815	3VW2046217	3VW2088435	3VW2037056	3VW2088086	3VW2050219	3VW2088517
3VW2088863	3VW2047674	3VW2088452	3VW2043388	3VW2088184	3VW2053105	3VW2088548
3VW2089043	3VW2050915	3VW2088757	3VW2043567	3VW2088234	3VW2054576	3VW2089943
3VW2089088	3VW2050977	3VW2088791	3VW2043939	3VW2088430	3VW2055453	3VW2090266
3VW2089513	3VW2050980	3VW2089519	3VW2049563	3VW2088461	3VW2055484	3VW2090347
3VW2090127	3VW2052907	3VW2089746	3VW2050258	3VW2088511	3VW2055663	3VW2090395
3VW2090256	3VW2052986	3VW2089925	3VW2059185	3VW2088685	3VW2055694	3VW2094835
3VW2090399	3VW2058223	3VW2090251	3VW2060627	3VW2088718	3VW2057820	3VW2095144
3VW2090418	3VW2059422	3VW2090430	3VW2060949	3VW2088914	3VW2060877	3VW2098190
3VW2090502	3VW2060649	3VW2090699	3VW2061146	3VW2089111	3VW2060961	3VW2098707
3VW2090676	3VW2067181	3VW2092789	3VW2064113	3VW2089450	3VW2061771	3VW2098836
3VW2093450	3VW2067374	3VW2095076	3VW2066217	3VW2089464	3VW2063519	3VW2100293
3VW2099734	3VW2067763	3VW2095126	3VW2066296	3VW2090159	3VW2069188	3VW2100780
3VW2100851	3VW2071442	3VW2095417	3VW2067173	3VW2090274	3VW2070972	3VW2102660
3VW2101031	3VW2072042	3VW2095787	3VW2073278	3VW2090307	3VW2072785	3VW2500144
3VW2102910	3VW2073496	3VW2098012	3VW2073393	3VW2090310	3VW2073368	3VW2500189
3VW2103040	3VW2076141	3VW2098740	3VW2073426	3VW2090436	3VW2075184	3VW2014250
3VW2500165	3VW2076155	3VW2101538	3VW2075225	3VW2090484	3VW2076416	3VW2014295
3VW2014254	3VW2076169	3VW2102799	3VW2075662	3VW2090517	3VW2076514	3VW2014670
3VW2014450	3VW2076379	3VW2102916	3VW2075676	3VW2091764	3VW2076528	3VW2015995
3VW2014738	3VW2076544	3VW2103211	3VW2076052	3VW2100625	3VW2076657	3VW2016659
3VW2015260	3VW2077466	3VW2500160	3VW2076181	3VW2101547	3VW2076836	3VW2016984
3VW2016103	3VW2078519	3VW2014621	3VW2076214	3VW2102763	3VW2078389	3VW2017567
3VW2016232	3VW2078777	3VW2015266	3VW2076536	3VW2500166	3VW2078604	3VW2028178
3VW2017154	3VW2079444	3VW2015980	3VW2076570	3VW2015969	3VW2078621	3VW2029069
3VW2017476	3VW2079699	3VW2016157	3VW2077556	3VW2016328	3VW2078649	3VW2030366

SCHEDULE "C"

Redacted List of VINs of Vehicles Excluded as Eligible Vehicles

3VW2035745	3VW2077512	3VW3302028	3VW3279126	3VW3409689	3VWC509271	3VWC502149
3VW2037026	3VW2078322	3VW3317113	3VW3279143	3VW3234210	3VWC509450	3VWC502278
3VW2037270	3VW2078496	3VW3333988	3VW3293981	3VW3242940	3VWC509884	3VWC502331
3VW2040802	3VW2078725	3VW3335840	3VW3327174	3VW3279101	3VWC511456	3VWC502362
3VW2041397	3VW2079227	3VW3407362	3VW3409681	3VW3280796	3VWC511599	3VWC502376
3VW2043523	3VW2080121	3VW3419219	3VW3239122	3VW3284721	3VWC512137	3VWC502572
3VW2043909	3VW2084654	3VW3244494	3VW3239671	3VW3302411	3VWC513725	3VWC503575
3VW2046308	3VW2084900	3VW3252546	3VW3239881	3VW3316826	3VWC513837	3VWC503656
3VW2047037	3VW2084959	3VW3277107	3VW3243588	3VW3402346	3VWC515054	3VWC503902
3VW2047734	3VW2085173	3VW3279715	3VW3318936	3VW3060779	3VWC515250	3VWC504015
3VW2048723	3VW2085383	3VW3284395	3VW3321562	3VW3101347	3VWC515832	3VWC504080
3VW2050228	3VW2085593	3VW3294974	3VW3333307	3VW3108929	3VWC515880	3VWC504113
3VW2051170	3VW2086954	3VW3301454	3VW3333324	3VW3033581	3VWC516091	3VWC504242
3VW2051654	3VW2087165	3VW3304127	3VW3415053	3VW3097037	3VWC516317	3VWC504290
3VW2051783	3VW2087201	3VW3333031	3VW3222443	3VWC501459	3VWC516964	3VWC505567
3VW2052027	3VW2087263	3VW3222276	3VW3223169	3VWC501719	3VWC517399	3VWC506248
3VW2053565	3VW2087280	3VW3238753	3VW3223172	3VWC502059	3VWC517418	3VWC506413
3VW2053792	3VW2087571	3VW3262082	3VW3244488	3VWC502109	3VWC517502	3VWC506914
3VW2055140	3VW2087845	3VW3263149	3VW3261498	3VWC502210	3VWC517600	3VWC507349
3VW2055462	3VW2088025	3VW3267007	3VW3341643	3VWC502238	3VWC517693	3VWC507593
3VW2057549	3VW2088039	3VW3267346	3VW3343215	3VWC502269	3VWC518021	3VWC508050
3VW2060533	3VW2088090	3VW3276127	3VW3401789	3VWC502367	3VWC518102	3VWC508422
3VW2061519	3VW2088171	3VW3286804	3VW3236335	3VWC502479	3VWC518407	3VWC508498
3VW2061570	3VW2088459	3VW3295079	3VW3239753	3VWC502904	3VWC518620	3VWC508730
3VW2061651	3VW2088736	3VW3337041	3VW3240613	3VWC503731	3VWC518813	3VWC508792
3VW2063030	3VW2089272	3VW3342000	3VW3270503	3VWC503888	3VWC518987	3VWC509067
3VW2063173	3VW2089384	3VW3416242	3VW3272882	3VWC503907	3VWC519086	3VWC509618
3VW2063528	3VW2089448	3VW3244738	3VW3278827	3VWC503941	3VWC519380	3VWC510042
3VW2064100	3VW2089966	3VW3267145	3VW3302849	3VWC504104	3VWC519542	3VWC510090
3VW2065392	3VW2090373	3VW3274869	3VW3329470	3VWC505446	3VWC519587	3VWC510185
3VW2067451	3VW2090454	3VW3274970	3VW3332885	3VWC506919	3VWC519640	3VWC510607
3VW2072763	3VW2091877	3VW3287119	3VW3407634	3VWC507326	3VWC519718	3VWC510705
3VW2072990	3VW2092432	3VW3296516	3VW3410498	3VWC507357	3VWC520268	3VWC512843
3VW2073413	3VW2098876	3VW3327179	3VW3263155	3VWC507570	3VWC520352	3VWC513653
3VW2075162	3VW2099672	3VW3337307	3VW3333348	3VWC508282	3VWC520643	3VWC514043
3VW2076134	3VW2500167	3VW3234025	3VW3336279	3VWC508475	3VWC520657	3VWC514852
3VW2076649	3VW2500170	3VW3238933	3VW3337125	3VWC508699	3VWC520769	3VWC514964
3VW2076960	3VW3239075	3VW3265369	3VW3403026	3VWC509013	3VWC501793	3VWC514978
3VW2077459	3VW3285134	3VW3272001	3VW3283544	3VWC509027	3VWC502040	3VWC515032

SCHEDULE "C"

Redacted List of VINs of Vehicles Excluded as Eligible Vehicles

3VWC515077	3VWC508154	3VWC501942	3VWC515226	3VWC505708	3VWC520452	3VWC517785
3VWC515886	3VWC508364	3VWC502170	3VWC515386	3VWC506499	3VWC520659	3VWC517933
3VWC517573	3VWC508526	3VWC502234	3VWC515677	3VWC506647	3VWC501523	3VWC518306
3VWC517590	3VWC508798	3VWC502265	3VWC515887	3VWC507930	3VWC501635	3VWC518354
3VWC517606	3VWC508803	3VWC502296	3VWC516926	3VWC508026	3VWC501649	3VWC518399
3VWC517735	3VWC508848	3VWC502329	3VWC516991	3VWC508446	3VWC501957	3VWC518578
3VWC518075	3VWC508929	3VWC502413	3VWC517297	3VWC508513	3VWC502137	3VWC518824
3VWC518755	3VWC509045	3VWC502900	3VWC517381	3VWC508754	3VWC502185	3VWC518838
3VWC518786	3VWC509126	3VWC502931	3VWC517400	3VWC509421	3VWC502297	3VWC519410
3VWC518805	3VWC509529	3VWC503397	3VWC517414	3VWC509905	3VWC502302	3VWC519424
3VWC519632	3VWC509921	3VWC503884	3VWC517767	3VWC510004	3VWC502431	3VWC519472
3VWC520179	3VWC510146	3VWC504128	3VWC518000	3VWC510018	3VWC502686	3VWC520489
3VWC520621	3VWC511104	3VWC504520	3VWC518157	3VWC510097	3VWC502851	3VWC520752
3VWC520666	3VWC513449	3VWC504534	3VWC518336	3VWC510133	3VWC503904	3VWC520959
3VWC500300	3VWC513788	3VWC506901	3VWC518384	3VWC510178	3VWC504485	3VWC501661
3VWC500474	3VWC514228	3VWC507272	3VWC518482	3VWC510181	3VWC505619	3VWC501725
3VWC501768	3VWC514651	3VWC507529	3VWC518515	3VWC510777	3VWC506799	3VWC502292
3VWC501897	3VWC515198	3VWC507840	3VWC519003	3VWC512416	3VWC508746	3VWC502843
3VWC502113	3VWC516755	3VWC507885	3VWC519129	3VWC512643	3VWC508939	3VWC502874
3VWC502421	3VWC516898	3VWC508423	3VWC520491	3VWC514912	3VWC508942	3VWC503572
3VWC502595	3VWC517257	3VWC508440	3VWC520670	3VWC514974	3VWC509170	3VWC503927
3VWC502712	3VWC517730	3VWC508499	3VWC520801	3VWC514988	3VWC509430	3VWC503944
3VWC502872	3VWC517971	3VWC508633	3VWC520961	3VWC515011	3VWC509511	3VWC503961
3VWC503309	3VWC518232	3VWC508759	3VWC500475	3VWC515042	3VWC509573	3VWC504009
3VWC503438	3VWC518392	3VWC508843	3VWC500511	3VWC515672	3VWC509587	3VWC504544
3VWC503679	3VWC519039	3VWC508924	3VWC500525	3VWC515798	3VWC510058	3VWC505029
3VWC503939	3VWC519509	3VWC509006	3VWC501495	3VWC515820	3VWC513638	3VWC505757
3VWC504007	3VWC519512	3VWC509118	3VWC501531	3VWC516739	3VWC514420	3VWC506231
3VWC504315	3VWC519638	3VWC509149	3VWC501755	3VWC517177	3VWC515003	3VWC506407
3VWC505576	3VWC520241	3VWC509328	3VWC501769	3VWC517261	3VWC515633	3VWC507895
3VWC506274	3VWC520448	3VWC509345	3VWC501836	3VWC517499	3VWC516135	3VWC508321
3VWC506419	3VWC520515	3VWC509734	3VWC501898	3VWC517874	3VWC517107	3VWC508366
3VWC506453	3VWC520529	3VWC509930	3VWC502159	3VWC518393	3VWC517124	3VWC508433
3VWC506887	3VWC520580	3VWC509961	3VWC502274	3VWC518443	3VWC517169	3VWC508755
3VWC507506	3VWC500516	3VWC510382	3VWC502369	3VWC519284	3VWC517334	3VWC508786
3VWC507568	3VWC501441	3VWC513833	3VWC503604	3VWC519379	3VWC517382	3VWC508867
3VWC507585	3VWC501522	3VWC514383	3VWC504302	3VWC519396	3VWC517396	3VWC508982
3VWC507666	3VWC501620	3VWC515050	3VWC504526	3VWC519589	3VWC517530	3VWC509081
3VWC507960	3VWC501648	3VWC515064	3VWC505336	3VWC519642	3VWC517723	3VWC509162

SCHEDULE "C"

Redacted List of VINs of Vehicles Excluded as Eligible Vehicles

3VWC509310	3VWC501426	3VWC515052	3VWC502164	3VWC519417	3VWC513920	3VWC506474
3VWC509520	3VWC501474	3VWC515116	3VWC502309	3VWC519515	3VWC514646	3VWC506829
3VWC509808	3VWC501488	3VWC515178	3VWC503654	3VWC519904	3VWC515151	3VWC508550
3VWC510019	3VWC501510	3VWC515441	3VWC504108	3VWC520311	3VWC515389	3VWC509570
3VWC510134	3VWC501717	3VWC515729	3VWC504240	3VWC520468	3VWC516901	3VWC509780
3VWC510389	3VWC501944	3VWC515942	3VWC505288	3VWC520471	3VWC517028	3VWC509939
3VWC510943	3VWC502205	3VWC516136	3VWC505971	3VWC520485	3VWC517160	3VWC511366
3VWC511168	3VWC502222	3VWC516220	3VWC507610	3VWC520499	3VWC517255	3VWC511447
3VWC511414	3VWC502253	3VWC516234	3VWC507851	3VWC520888	3VWC517840	3VWC512937
3VWC511896	3VWC502396	3VWC516928	3VWC508630	3VWC500522	3VWC517904	3VWC513425
3VWC512935	3VWC502401	3VWC516976	3VWC508692	3VWC501458	3VWC517918	3VWC515059
3VWC513633	3VWC502558	3VWC517187	3VWC508711	3VWC501492	3VWC518258	3VWC515353
3VWC513714	3VWC502902	3VWC517237	3VWC508756	3VWC501511	3VWC518437	3VWC515370
3VWC514975	3VWC503905	3VWC517481	3VWC508840	3VWC501699	3VWC518759	3VWC515398
3VWC515060	3VWC503936	3VWC517626	3VWC509583	3VWC501914	3VWC518910	3VWC515711
3VWC515348	3VWC505556	3VWC517643	3VWC509633	3VWC501931	3VWC519376	3VWC517037
3VWC516189	3VWC506884	3VWC518310	3VWC509678	3VWC502254	3VWC519488	3VWC517099
3VWC516211	3VWC507288	3VWC518405	3VWC510099	3VWC502271	3VWC520009	3VWC517183
3VWC516984	3VWC507971	3VWC518484	3VWC510121	3VWC502657	3VWC520284	3VWC517409
3VWC517309	3VWC507985	3VWC518498	3VWC511737	3VWC502870	3VWC520589	3VWC518222
3VWC517391	3VWC508067	3VWC518663	3VWC513584	3VWC503405	3VWC520690	3VWC518401
3VWC517620	3VWC508425	3VWC518999	3VWC513794	3VWC503923	3VWC520866	3VWC518530
3VWC517729	3VWC508716	3VWC519487	3VWC514413	3VWC504294	3VWC500416	3VWC518706
3VWC518184	3VWC508859	3VWC519490	3VWC514976	3VWC504537	3VWC500495	3VWC518933
3VWC518332	3VWC508893	3VWC519537	3VWC515111	3VWC504893	3VWC501470	3VWC519032
3VWC518346	3VWC508912	3VWC520090	3VWC515447	3VWC505011	3VWC501484	3VWC519077
3VWC518363	3VWC509428	3VWC520493	3VWC515884	3VWC505039	3VWC501629	3VWC519502
3VWC518475	3VWC509459	3VWC520509	3VWC516209	3VWC506451	3VWC501940	3VWC520374
3VWC518752	3VWC509848	3VWC520753	3VWC516274	3VWC507728	3VWC502277	3VWC520519
3VWC519142	3VWC509994	3VWC500429	3VWC516906	3VWC508961	3VWC502280	3VWD219932
3VWC519433	3VWC510143	3VWC500446	3VWC517330	3VWC508989	3VWC502294	3VWD222815
3VWC519531	3VWC510708	3VWC500530	3VWC517456	3VWC508992	3VWC502358	3VWD245754
3VWC519626	3VWC510966	3VWC501497	3VWC517666	3VWC509060	3VWC502361	3VWD246435
3VWC519643	3VWC511809	3VWC501533	3VWC517859	3VWC509169	3VWC502618	3VWD250453
3VWC519657	3VWC513754	3VWC501693	3VWC518347	3VWC509267	3VWC502683	3VWD250601
3VWC519660	3VWC514323	3VWC501757	3VWC518400	3VWC509365	3VWC504062	3VWD255068
3VWC520551	3VWC514791	3VWC501872	3VWC518753	3VWC509687	3VWC505003	3VWD255961
3VWC520663	3VWC514886	3VWC502035	3VWC518767	3VWC509897	3VWC505079	3VWD261632
3VWC520713	3VWC515021	3VWC502147	3VWC519370	3VWC511035	3VWC505437	3VWD262991

SCHEDULE "C"

Redacted List of VINs of Vehicles Excluded as Eligible Vehicles

3VWD263042	3VWD241275	3VWD345877	3VWD304688	3VWD246980	3VWD343242	3VWD306488
3VWD263400	3VWD244628	3VWD348780	3VWD314055	3VWD247529	3VWD348358	3VWD308290
3VWD274333	3VWD245620	3VWD349864	3VWD318901	3VWD250902	3VWD405691	3VWD319421
3VWD281525	3VWD246959	3VWD401672	3VWD319160	3VWD251046	3VWD409353	3VWD320729
3VWD281539	3VWD247352	3VWD403020	3VWD324827	3VWD253749	3VWD409840	3VWD325106
3VWD288359	3VWD250574	3VWD404099	3VWD326559	3VWD261690	3VWD410373	3VWD325820
3VWD290192	3VWD255452	3VWD409464	3VWD328215	3VWD262984	3VWD410938	3VWD326563
3VWD290970	3VWD261901	3VWD409867	3VWD333057	3VWD263178	3VWD414021	3VWD328829
3VWD293187	3VWD262837	3VWD410842	3VWD336573	3VWD263486	3VWD419204	3VWD329558
3VWD302213	3VWD270579	3VWD413093	3VWD342387	3VWD270972	3VWD222803	3VWD333223
3VWD303443	3VWD272400	3VWD413420	3VWD345709	3VWD272124	3VWD228679	3VWD334713
3VWD303524	3VWD275779	3VWD218815	3VWD346973	3VWD272513	3VWD233767	3VWD336171
3VWD305192	3VWD278049	3VWD240328	3VWD347167	3VWD273273	3VWD234045	3VWD340544
3VWD305600	3VWD281114	3VWD240457	3VWD348349	3VWD284693	3VWD240895	3VWD341693
3VWD305757	3VWD281503	3VWD240913	3VWD401356	3VWD285231	3VWD241254	3VWD342679
3VWD323899	3VWD282215	3VWD245674	3VWD401793	3VWD285245	3VWD241268	3VWD342973
3VWD324938	3VWD285745	3VWD246386	3VWD409201	3VWD291238	3VWD244896	3VWD344545
3VWD326589	3VWD290752	3VWD261714	3VWD409568	3VWD291613	3VWD247412	3VWD347106
3VWD328777	3VWD290962	3VWD262720	3VWD409702	3VWD292776	3VWD261228	3VWD401665
3VWD328827	3VWD302589	3VWD262880	3VWD409733	3VWD292986	3VWD263366	3VWD404968
3VWD330061	3VWD302690	3VWD263334	3VWD409859	3VWD295032	3VWD263433	3VWD410365
3VWD331291	3VWD302964	3VWD267416	3VWD410008	3VWD302688	3VWD270625	3VWD414769
3VWD333235	3VWD303466	3VWD270591	3VWD410252	3VWD303758	3VWD270799	3VWD415064
3VWD335731	3VWD303922	3VWD270820	3VWD410381	3VWD318146	3VWD271077	3VWD418479
3VWD336166	3VWD305315	3VWD271286	3VWD410462	3VWD318602	3VWD271211	3VWD419938
3VWD336703	3VWD318100	3VWD272227	3VWD412714	3VWD319118	3VWD281513	3VWD224091
3VWD340461	3VWD318114	3VWD272454	3VWD420179	3VWD319796	3VWD282788	3VWD233289
3VWD342260	3VWD326214	3VWD282059	3VWD421106	3VWD323962	3VWD287196	3VWD233373
3VWD347765	3VWD328349	3VWD282790	3VWD221108	3VWD325436	3VWD287201	3VWD240534
3VWD402702	3VWD333261	3VWD285771	3VWD221111	3VWD328451	3VWD287537	3VWD245183
3VWD406815	3VWD335737	3VWD287245	3VWD223490	3VWD328725	3VWD301355	3VWD247788
3VWD407074	3VWD336452	3VWD288136	3VWD224333	3VWD328756	3VWD303221	3VWD250545
3VWD409570	3VWD336743	3VWD288637	3VWD228205	3VWD332774	3VWD303395	3VWD252649
3VWD409794	3VWD337004	3VWD290128	3VWD238457	3VWD335903	3VWD303428	3VWD255082
3VWD409956	3VWD340579	3VWD290596	3VWD240337	3VWD336369	3VWD303476	3VWD255874
3VWD411139	3VWD340954	3VWD291232	3VWD244890	3VWD336582	3VWD303770	3VWD261786
3VWD219518	3VWD342641	3VWD291425	3VWD245571	3VWD341149	3VWD303834	3VWD262601
3VWD227957	3VWD342669	3VWD292820	3VWD246221	3VWD342107	3VWD305759	3VWD270634
3VWD241034	3VWD345670	3VWD294017	3VWD246493	3VWD342284	3VWD306104	3VWD272190

SCHEDULE "C"

Redacted List of VINs of Vehicles Excluded as Eligible Vehicles

3VWD272268	3VWD343954	3VWD318187	3VWD270652	3VWD221282	3VWD335735	3VWD287677
3VWD276692	3VWD347163	3VWD318626	3VWD272403	3VWD222433	3VWD335766	3VWD288425
3VWD283500	3VWD347762	3VWD319128	3VWD281571	3VWD222786	3VWD336514	3VWD288618
3VWD290947	3VWD400301	3VWD328301	3VWD281618	3VWD238387	3VWD336965	3VWD291356
3VWD292813	3VWD400864	3VWD328816	3VWD284776	3VWD241242	3VWD340546	3VWD292541
3VWD299101	3VWD401741	3VWD328864	3VWD287662	3VWD244593	3VWD342006	3VWD292720
3VWD303695	3VWD406812	3VWD332543	3VWD291680	3VWD248255	3VWD343365	3VWD293009
3VWD303776	3VWD407071	3VWD332641	3VWD292912	3VWD251527	3VWD347898	3VWD294189
3VWD306001	3VWD410259	3VWD333322	3VWD293025	3VWD261636	3VWD402334	3VWD294466
3VWD306158	3VWD410276	3VWD336530	3VWD293395	3VWD262950	3VWD404293	3VWD303179
3VWD306855	3VWD414196	3VWD336589	3VWD293493	3VWD263113	3VWD404598	3VWD303229
3VWD308055	3VWD423285	3VWD341579	3VWD293641	3VWD263922	3VWD408697	3VWD303702
3VWD318150	3VWD219143	3VWD341646	3VWD294353	3VWD271194	3VWD409980	3VWD303733
3VWD322473	3VWD224200	3VWD343302	3VWD294501	3VWD271289	3VWD409994	3VWD306017
3VWD322540	3VWD224357	3VWD347902	3VWD294546	3VWD272099	3VWD410000	3VWD306048
3VWD323350	3VWD240297	3VWD401053	3VWD294756	3VWD272409	3VWD410062	3VWD306065
3VWD323767	3VWD240753	3VWD406298	3VWD300006	3VWD274158	3VWD411146	3VWD314229
3VWD325082	3VWD240977	3VWD406687	3VWD303956	3VWD286116	3VWD412717	3VWD319477
3VWD325521	3VWD241238	3VWD406690	3VWD304122	3VWD291347	3VWD413804	3VWD323383
3VWD325695	3VWD241367	3VWD409086	3VWD305366	3VWD291493	3VWD419960	3VWD323674
3VWD326393	3VWD244902	3VWD409699	3VWD305822	3VWD291798	3VWD222473	3VWD328308
3VWD328161	3VWD244981	3VWD409976	3VWD314052	3VWD292966	3VWD222859	3VWD328566
3VWD328354	3VWD248979	3VWD417642	3VWD319431	3VWD293003	3VWD224336	3VWD328938
3VWD328502	3VWD250568	3VWD210614	3VWD324919	3VWD295172	3VWD225700	3VWD329006
3VWD328824	3VWD261974	3VWD218065	3VWD325553	3VWD302458	3VWD241296	3VWD329345
3VWD329004	3VWD272134	3VWD218504	3VWD328212	3VWD306039	3VWD241461	3VWD329667
3VWD333201	3VWD272988	3VWD219538	3VWD328470	3VWD306624	3VWD247258	3VWD333119
3VWD333232	3VWD279990	3VWD221936	3VWD330820	3VWD318918	3VWD247342	3VWD333721
3VWD333604	3VWD286129	3VWD222827	3VWD332616	3VWD322077	3VWD262858	3VWD336392
3VWD335949	3VWD287085	3VWD224061	3VWD341882	3VWD323634	3VWD265856	3VWD336666
3VWD336115	3VWD288558	3VWD240356	3VWD342661	3VWD325240	3VWD270717	3VWD341608
3VWD340911	3VWD288804	3VWD245363	3VWD343258	3VWD325660	3VWD271124	3VWD347439
3VWD340939	3VWD291055	3VWD245749	3VWD349822	3VWD328946	3VWD271205	3VWD406697
3VWD341170	3VWD293193	3VWD246559	3VWD400994	3VWD329224	3VWD272130	3VWD406862
3VWD341332	3VWD293422	3VWD246738	3VWD410375	3VWD329451	3VWD272175	3VWD410006
3VWD341492	3VWD295896	3VWD248957	3VWD412837	3VWD331281	3VWD280096	3VWD414623
3VWD341816	3VWD299883	3VWD250479	3VWD414488	3VWD332186	3VWD281605	3VWD417652
3VWD343257	3VWD302684	3VWD261479	3VWD417584	3VWD333547	3VWD281703	3VWD418252
3VWD343307	3VWD306556	3VWD263264	3VWD218348	3VWD333709	3VWD283399	3VWD202796

SCHEDULE "C"

Redacted List of VINs of Vehicles Excluded as Eligible Vehicles

3VWD219243	3VWD328057	3VWF515293	3VWF507909	3VWJ616151	3VWJ626094	3VWL329407
3VWD219534	3VWD329595	3VWF518811	3VWF508736	3VWJ622872	3VWJ655841	3VWL329875
3VWD228721	3VWD332254	3VWF501404	3VWF509546	3VWJ624184	3VWJ656920	3VWL331335
3VWD228993	3VWD333064	3VWF501578	3VWF509577	3VWJ625125	3VWJ663158	3VWL334817
3VWD232381	3VWD333078	3VWF503203	3VWF516108	3VWJ647450	3VWJ664142	3VWL335868
3VWD232915	3VWD336143	3VWF509714	3VWF518912	3VWJ605854	3VWL205265	3VWL336423
3VWD240416	3VWD336188	3VWF510362	3VWF502833	3VWJ610763	3VWL205590	3VWL336745
3VWD241565	3VWD336689	3VWF512368	3VWF502881	3VWJ625828	3VWL224267	3VWL406468
3VWD241582	3VWD340922	3VWF513617	3VWF503299	3VWJ609928	3VWL226309	3VWL407197
3VWD245213	3VWD342203	3VWF514105	3VWF508213	3VWJ617768	3VWL228190	3VWL410407
3VWD246328	3VWD343254	3VWF518302	3VWF508681	3VWJ622517	3VWL233759	3VWL418071
3VWD247611	3VWD347255	3VWF503128	3VWF510270	3VWJ634733	3VWL237181	3VWL418362
3VWD255045	3VWD401668	3VWF501601	3VWF511659	3VWJ621876	3VWL237911	3VWL419043
3VWD261671	3VWD408880	3VWF516115	3VWF512262	3VWJ624406	3VWL239013	3VWL203248
3VWD261721	3VWD409284	3VWF518351	3VWF516019	3VWJ626687	3VWL239366	3VWL203699
3VWD262285	3VWD410256	3VWF520469	3VWF501948	3VWJ636121	3VWL243692	3VWL204996
3VWD262741	3VWD410287	3VWF501963	3VWF502646	3VWJ610384	3VWL244826	3VWL228358
3VWD263324	3VWD410550	3VWF502482	3VWF505496	3VWJ620106	3VWL245006	3VWL235195
3VWD263341	3VWD411083	3VWF503308	3VWF508544	3VWJ624317	3VWL262338	3VWL236170
3VWD274338	3VWD453591	3VWF503454	3VWF509550	3VWJ625130	3VWL262906	3VWL236749
3VWD281516	3VWD352195	3VWF508430	3VWF510374	3VWJ626682	3VWL263716	3VWL238579
3VWD281614	3VWD395484	3VWF508881	3VWF512951	3VWJ633406	3VWL264767	3VWL240803
3VWD287526	3VWD245058	3VWF509383	3VWF517373	3VWJ609941	3VWL265871	3VWL242583
3VWD288241	3VWD240783	3VWF513885	3VWF518457	3VWJ612418	3VWL266440	3VWL245791
3VWD291379	3VWD012191	3VWF514647	3VWF501604	3VWJ621815	3VWL273145	3VWL246469
3VWD292872	3VWD341957	3VWF516124	3VWF503546	3VWJ626951	3VWL273467	3VWL247542
3VWD294914	3VWD380081	3VWF516219	3VWF518371	3VWJ621791	3VWL273470	3VWL247895
3VWD299806	3VWD278880	3VWF516494	3VWF502325	3VWJ621919	3VWL273887	3VWL249744
3VWD303675	3VWD115778	3VWF518357	3VWF508416	3VWJ625128	3VWL279723	3VWL262252
3VWD305006	3VWD073511	3VWF502152	3VWF508464	3VWJ634671	3VWL279897	3VWL271064
3VWD306107	3VWD023119	3VWF502216	3VWF508870	3VWJ605860	3VWL280645	3VWL273686
3VWD306219	3VWD356939	3VWF502247	3VWF509825	3VWJ613506	3VWL286008	3VWL279911
3VWD319777	3VWD397510	3VWF505195	3VWF517858	3VWJ622531	3VWL293556	3VWL279925
3VWD322503	3VWD030384	3VWF508162	3VWF520114	3VWJ626692	3VWL295050	3VWL279942
3VWD322730	3VWD240853	3VWF508761	3VWJ605965	3VWJ627129	3VWL301106	3VWL280315
3VWD323490	3VWD377632	3VWF516987	3VWJ609949	3VWJ610386	3VWL301252	3VWL295221
3VWD324896	3VWF502155	3VWF517525	3VWJ609966	3VWJ616169	3VWL308184	3VWL295770
3VWD325059	3VWF502737	3VWF501351	3VWJ622071	3VWJ621890	3VWL319377	3VWL300868
3VWD325806	3VWF506836	3VWF502158	3VWJ624192	3VWJ625132	3VWL321033	3VWL321364

SCHEDULE "C"

Redacted List of VINs of Vehicles Excluded as Eligible Vehicles

3VWL323566	3VWL323687	3VWL275228	3VWL329023	3VWL202807	3VWL410394	3VWL241480
3VWL324426	3VWL325603	3VWL275424	3VWL329801	3VWL206808	3VWL203254	3VWL245643
3VWL329657	3VWL329490	3VWL283927	3VWL332391	3VWL228355	3VWL237307	3VWL250146
3VWL331604	3VWL331305	3VWL284737	3VWL333735	3VWL228713	3VWL237694	3VWL265908
3VWL332574	3VWL332647	3VWL294071	3VWL335937	3VWL231000	3VWL240434	3VWL271577
3VWL332607	3VWL335774	3VWL295169	3VWL407087	3VWL232910	3VWL241163	3VWL272910
3VWL333336	3VWL335838	3VWL302007	3VWL409972	3VWL234687	3VWL245097	3VWL273121
3VWL335460	3VWL335855	3VWL306610	3VWL203138	3VWL235144	3VWL249070	3VWL273152
3VWL336656	3VWL340733	3VWL331300	3VWL204001	3VWL237749	3VWL250848	3VWL274236
3VWL340156	3VWL341008	3VWL332236	3VWL211921	3VWL240988	3VWL275703	3VWL279615
3VWL348581	3VWL402356	3VWL332382	3VWL218173	3VWL241218	3VWL281663	3VWL280814
3VWL402803	3VWL409758	3VWL333399	3VWL218707	3VWL245110	3VWL281761	3VWL283065
3VWL406981	3VWL419187	3VWL335797	3VWL237323	3VWL246824	3VWL283428	3VWL284863
3VWL410044	3VWL203140	3VWL340398	3VWL239878	3VWL249559	3VWL286202	3VWL296771
3VWL410559	3VWL212792	3VWL203244	3VWL243848	3VWL249562	3VWL293196	3VWL301418
3VWL417592	3VWL223758	3VWL204782	3VWL250587	3VWL249657	3VWL293893	3VWL301810
3VWL417916	3VWL224957	3VWL233778	3VWL263887	3VWL262344	3VWL295367	3VWL302259
3VWL204778	3VWL229530	3VWL233800	3VWL265235	3VWL263249	3VWL296244	3VWL320454
3VWL218521	3VWL233660	3VWL234011	3VWL269205	3VWL279919	3VWL320042	3VWL329736
3VWL218860	3VWL233979	3VWL240598	3VWL273108	3VWL280388	3VWL329792	3VWL329848
3VWL219054	3VWL235408	3VWL246742	3VWL275067	3VWL281623	3VWL332949	3VWL335472
3VWL223329	3VWL238096	3VWL246966	3VWL278065	3VWL281797	3VWL335642	3VWL336427
3VWL228594	3VWL239023	3VWL273150	3VWL278146	3VWL287521	3VWL340694	3VWL336959
3VWL237604	3VWL241578	3VWL273598	3VWL279121	3VWL294212	3VWL340730	3VWL340221
3VWL239188	3VWL244383	3VWL275254	3VWL282908	3VWL302292	3VWL340890	3VWL342857
3VWL240583	3VWL244657	3VWL275979	3VWL293648	3VWL305399	3VWL341716	3VWL343135
3VWL243855	3VWL244819	3VWL279692	3VWL296842	3VWL314068	3VWL342199	3VWL407206
3VWL245623	3VWL244822	3VWL279823	3VWL307984	3VWL328116	3VWL342512	3VWL413457
3VWL245704	3VWL245520	3VWL280454	3VWL320590	3VWL328438	3VWL401686	3VWL205152
3VWL247954	3VWL249549	3VWL280597	3VWL323392	3VWL329721	3VWL409965	3VWL219956
3VWL264723	3VWL250152	3VWL281104	3VWL328995	3VWL330349	3VWL415068	3VWL234411
3VWL270148	3VWL263340	3VWL282155	3VWL330200	3VWL332537	3VWL203859	3VWL239236
3VWL271736	3VWL263838	3VWL292121	3VWL335901	3VWL334532	3VWL204767	3VWL239978
3VWL276984	3VWL271518	3VWL298873	3VWL340726	3VWL335535	3VWL205000	3VWL240290
3VWL282784	3VWL273091	3VWL299666	3VWL409771	3VWL335826	3VWL205269	3VWL240323
3VWL301091	3VWL273138	3VWL301593	3VWL410564	3VWL336555	3VWL233394	3VWL240712
3VWL308283	3VWL273172	3VWL323187	3VWL415215	3VWL401730	3VWL237848	3VWL245389
3VWL318618	3VWL273656	3VWL325344	3VWL418423	3VWL406975	3VWL240619	3VWL246235
3VWL323219	3VWL274340	3VWL325697	3VWL418552	3VWL407107	3VWL241169	3VWL247191

SCHEDULE "C"

Redacted List of VINs of Vehicles Excluded as Eligible Vehicles

3VWL255128	3VWL234885	3VWL429350	3VWP621204	3VWR075890	3VWR088821	3VWR051777
3VWL261981	3VWL239066	3VWL454069	3VWP621543	3VWR075906	3VWR090391	3VWR057904
3VWL262063	3VWL249323	3VWL371846	3VWP615458	3VWR075985	3VWR090407	3VWR058616
3VWL265447	3VWL261827	3VWL117304	3VWP620501	3VWR076599	3VWR098605	3VWR077537
3VWL265903	3VWL261830	3VWL025272	3VWP620532	3VWR077252	3VWR098832	3VWR077957
3VWL266467	3VWL263688	3VWL422080	3VWP621390	3VWR078501	3VWR022200	3VWR079952
3VWL272060	3VWL266347	3VWL097208	3VWP621499	3VWR078515	3VWR040731	3VWR082480
3VWL273015	3VWL266574	3VWL105050	3VWP607837	3VWR078661	3VWR043709	3VWR084827
3VWL273600	3VWL267305	3VWP620550	3VWP612858	3VWR078840	3VWR053771	3VWR086626
3VWL277016	3VWL273461	3VWP621424	3VWP612956	3VWR079907	3VWR075169	3VWR087565
3VWL277761	3VWL275324	3VWP621438	3VWP620376	3VWR080040	3VWR078539	3VWR088473
3VWL279803	3VWL275498	3VWP620377	3VWP621303	3VWR085464	3VWR079898	3VWR090367
3VWL281552	3VWL279809	3VWP621609	3VWP643300	3VWR086887	3VWR082915	3VWR093950
3VWL281616	3VWL280667	3VWP631497	3VWP626906	3VWR087215	3VWR087337	3VWR014589
3VWL281745	3VWL281026	3VWP615138	3VWR620484	3VWR087795	3VWR088519	3VWR015001
3VWL283088	3VWL281253	3VWP615642	3VWR612393	3VWR088493	3VWR089783	3VWR016956
3VWL286492	3VWL294889	3VWP620405	3VWR611651	3VWR093824	3VWR090870	3VWR035054
3VWL296889	3VWL301694	3VWP621442	3VWR635240	3VWR099381	3VWR016034	3VWR035944
3VWL300326	3VWL306393	3VWP612815	3VWR610915	3VWR100657	3VWR030080	3VWR055627
3VWL300519	3VWL328782	3VWP615293	3VWR643218	3VWR014645	3VWR051754	3VWR075103
3VWL300990	3VWL329818	3VWP612726	3VWR641624	3VWR022776	3VWR054153	3VWR076073
3VWL305493	3VWL331455	3VWP613052	3VWR015888	3VWR036922	3VWR062835	3VWR076235
3VWL328790	3VWL333335	3VWP613133	3VWR016197	3VWR049220	3VWR076220	3VWR076722
3VWL328837	3VWL335893	3VWP615089	3VWR035395	3VWR061822	3VWR076931	3VWR086893
3VWL329664	3VWL340608	3VWP712331	3VWR039060	3VWR084940	3VWR078713	3VWR087736
3VWL330099	3VWL341564	3VWP612749	3VWR057414	3VWR089135	3VWR078954	3VWR090412
3VWL332385	3VWL082703	3VWP613058	3VWR061950	3VWR089409	3VWR083099	3VWR100579
3VWL332581	3VWL126960	3VWP613108	3VWR073273	3VWR089460	3VWR084866	3VWR014746
3VWL341118	3VWL025919	3VWP620799	3VWR084743	3VWR102885	3VWR084902	3VWR047357
3VWL342561	3VWL426971	3VWP621063	3VWR084872	3VWR023337	3VWR088481	3VWR074011
3VWL407084	3VWL428016	3VWP621337	3VWR084905	3VWR028165	3VWR090523	3VWR078351
3VWL408431	3VWL325767	3VWP621623	3VWR085004	3VWR045953	3VWR104808	3VWR085459
3VWL415069	3VWL101471	3VWP620402	3VWR089389	3VWR049680	3VWR015894	3VWR086644
3VWL204916	3VWL346580	3VWP621016	3VWR090574	3VWR052899	3VWR016656	3VWR088507
3VWL205399	3VWL101818	3VWP621436	3VWR045823	3VWR060758	3VWR017130	3VWR088538
3VWL224597	3VWL125438	3VWP621551	3VWR048740	3VWR077575	3VWR017337	3VWR088765
3VWL225667	3VWL346376	3VWP607853	3VWR054473	3VWR083747	3VWR025695	3VWR092556
3VWL230772	3VWL016567	3VWP612857	3VWR064128	3VWR086647	3VWR043517	3VWR099300
3VWL233512	3VWL018223	3VWP615130	3VWR075176	3VWR087460	3VWR047616	3VWR100462

SCHEDULE "C"

Redacted List of VINs of Vehicles Excluded as Eligible Vehicles

3VWR102518	3VWR089528	3VWW279453	3VWW260676	3VWW335885	3VWW269963	3VWW319343
3VWR016182	3VWR098293	3VWW281106	3VWW274402	3VWW409967	3VWW307403	3VWW320119
3VWR022886	3VWR102150	3VWW286001	3VWW274884	3VWW229090	3VWW316912	3VWW325787
3VWR024931	3VWR102536	3VWW291201	3VWW293919	3VWW245290	3VWW319017	3VWW333629
3VWR030308	3VWR106807	3VWW301340	3VWW294701	3VWW249713	3VWW320152	3VWW336692
3VWR046766	3VWW223911	3VWW305212	3VWW295296	3VWW253924	3VWW320250	3VWW413674
3VWR062692	3VWW236867	3VWW333561	3VWW304868	3VWW274790	3VWW325254	3VWW414209
3VWR075121	3VWW244533	3VWW340140	3VWW329141	3VWW274871	3VWW332432	3VWW223057
3VWR085017	3VWW244905	3VWW343703	3VWW331794	3VWW279357	3VWW333273	3VWW239193
3VWR085065	3VWW261011	3VWW347766	3VWW335778	3VWW305844	3VWW336674	3VWW243728
3VWR086409	3VWW262126	3VWW405889	3VWW348546	3VWW316651	3VWW245865	3VWW244281
3VWR087284	3VWW270128	3VWW406685	3VWW414819	3VWW318996	3VWW254064	3VWW244958
3VWR088869	3VWW322485	3VWW412728	3VWW211177	3VWW320313	3VWW261791	3VWW261663
3VWR089388	3VWW327170	3VWW238362	3VWW224415	3VWW333112	3VWW271155	3VWW265020
3VWR089715	3VWW333101	3VWW250222	3VWW250416	3VWW333210	3VWW300167	3VWW279399
3VWR102074	3VWW333289	3VWW274939	3VWW260492	3VWW333269	3VWW326851	3VWW294422
3VWR016031	3VWW333437	3VWW286119	3VWW260914	3VWW334115	3VWW347778	3VWW347961
3VWR029605	3VWW343644	3VWW299050	3VWW271184	3VWW338293	3VWW244174	3VWW412727
3VWR071336	3VWW413482	3VWW333097	3VWW274800	3VWW406480	3VWW245339	3VWW214814
3VWR073006	3VWW414003	3VWW336677	3VWW279107	3VWW412697	3VWW270757	3VWW129348
3VWR076259	3VWW228213	3VWW337201	3VWW292827	3VWW213237	3VWW271097	3VWW057156
3VWR077296	3VWW239311	3VWW337361	3VWW301395	3VWW243791	3VWW274405	3VWW292256
3VWR077542	3VWW250390	3VWW403228	3VWW305365	3VWW245671	3VWW274954	3VWW025259
3VWR077699	3VWW260837	3VWW410549	3VWW320268	3VWW292893	3VWW281094	WVWD080140
3VWR078528	3VWW261101	3VWW422426	3VWW328886	3VWW336049	3VWW288546	WVWN044804
3VWR087455	3VWW261647	3VWW244431	3VWW330346	3VWW406469	3VWW294976	WVWN133394
3VWR088136	3VWW279243	3VWW254070	3VWW333263	3VWW239183	3VWW318841	WVWN019892

Schedule D

SCHEDULE "D"

Owner Damages Payments

Volkswagen-Brand Eligible Vehicles

Model Year	Owner Damages Payment (CAD \$)
2009	\$5,100
2010	\$5,100
2011	\$5,100
2012	\$5,250
2013	\$5,500
2014	\$5,950
2015	\$7,000

Audi-Brand Eligible Vehicles

Model Year	Owner Damages Payment (CAD \$)
2010	\$5,200
2011	\$5,200
2012	\$5,350
2013	\$5,950
2015	\$8,000

Schedule E

Unless otherwise provided in this Schedule, capitalized terms have the same meaning as set forth in the Settlement Agreement and Schedule "B".

SCHEDULE "E"

September 2015 Mileage Calculation

Vehicle Value will be determined from the CBB Wholesale Category applicable to a vehicle based on its current mileage ("**Current Mileage**") no more than twenty (20) days before it is surrendered to an Authorized VW Dealer (the "**Surrender Proxy Date**"), provided that, when the vehicle is actually surrendered, its mileage is within the Allowance from the Current Mileage that is set forth in Schedule "B".

For those vehicles whose Current Mileage places them in the highest mileage CBB Wholesale Category, their Vehicle Value will be further determined by establishing by calculation their mileage as of September 18, 2015.

First, an average number of daily kilometres (km) driven during the period from the vehicle's Original In Service Date to the Surrender Proxy Date (the "**Average Daily KM Rate**") will be determined using the following formula:

$$\frac{\text{Current Mileage}}{(\text{Days from Original In Service Date to Surrender Proxy Date})}$$

For example, an Eligible Owner chooses the Buyback and makes an appointment to surrender a vehicle on June 9, 2017. To prepare for the Buyback, the vehicle's Current Mileage is reported 20 days before the scheduled appointment, on May 20, 2017, as 160,900 km. Based on the Current Mileage, the vehicle falls into the highest mileage CBB Wholesale Category. The vehicle was first sold in Canada as a new vehicle on February 1, 2010. The number of days between February 1, 2010 and the Surrender Proxy Date of May 20, 2017 is 2,665 days. Based on this example, the Average Daily KM Rate, rounded to the nearest whole number, is:

$$\frac{160,900 \text{ km}}{2,665 \text{ days}} = 60 \text{ km/day}$$

The Average Daily KM Rate is used to establish the vehicle's mileage as of September 18, 2015 (the "**September 2015 Mileage**") using the following formula:

$$\text{Current Mileage} - (\text{Average Daily KM Rate} \times (\text{Days from Sept. 18, 2015 to Surrender Proxy Date}))$$

Using the same example, the number of days between September 18, 2015 and the May 20, 2017 Surrender Proxy Date is 610 days. As a result, the September 2015 Mileage is:

$$160,900 \text{ km} - (60 \text{ km/day} \times 610 \text{ days}) = 124,300 \text{ km}$$

In this example where a vehicle's Current Mileage places it in the highest mileage CBB Wholesale Category, the Vehicle Value is the CBB Wholesale Value based on the vehicle's calculated September 2015 Mileage of 124,300 km.

Schedule F

SCHEDULE "F"

Consumer class actions by Class Counsel (other than the Actions) that concern the Affected Vehicles and are pending in Canada as of the date of the Settlement Agreement

No.	Filing Date	Jurisdiction / Court	Case Name	Putative Representative Plaintiff(s)	Counsel for Plaintiffs
1	Sept. 21, 2015	Québec	Jean-François Gallant v. Volkswagen Aktiengesellschaft et al. (Court File No. 200-06-000191-158)	N/A	<u>Siskinds, Desmeules, Avocats</u> Samy Elnemr
2	Sept. 22, 2015	Alberta	Jonathan Martin et al. v. Volkswagen Aktiengesellschaft et al. (Court File No. 1503-14556)	Jonathan Martin Marlie Demontigny	<u>James H. Brown & Associates</u> Richard J. Mallett <u>D'Arcy Deacon LLP</u> Clint G. Docken, Q.C.
3	Sept. 23, 2015	Ontario	David Blackmore v. Volkswagen Group Canada, Inc. et al. (Court File No. CV-15-537023-00CP)	David Blackmore	<u>McCague Borlack LLP and Barnable Law LLP</u> Rory Barnable
4	Sept. 23, 2015	Ontario	Carolyn Gallacher v. Volkswagen Group of America, Inc. et al. (Court File No. CV-15-537029-00CP)	Carolyn Gallacher	<u>Siskinds LLP</u> Charles M. Wright Daniel E. H. Bach Emilie Maxwell
5	Sept. 23, 2015	Federal Court of Canada (British Columbia)	Quinn Hanson v. Volkswagen Group Canada, Inc. (Court File No. T-1616-5)	Quinn Hanson	<u>Branch MacMaster LLP</u> Ward K. Branch Luciana P. Brasil <u>Mussio Goodman LLP</u> Eric Goodman
6	Sept. 23, 2015	Manitoba	John Smith v. Volkswagen Group Canada, Inc. et al. (Court File No. C-115-01-97853)	John Smith	<u>Boudreau Law</u> Norman Boudreau Corey Shefman

No.	Filing Date	Jurisdiction / Court	Case Name	Putative Representative Plaintiff(s)	Counsel for Plaintiffs
7	Sept. 24, 2015	British Columbia	1006123 B.C. Ltd. dba BLITZKRIEG MOTORCARS v. Volkswagen Group Canada, Inc. et al. (Court File No. S-157922)	1006123 B.C. Ltd. dba Blitzkrieg Motorcars	<u>Garcha & Company</u> K.S. Garcha
8	Sept. 25, 2015	British Columbia	Charles Craik v. Volkswagen Group Canada, Inc. et al. (Court File No. 157952)	Charles Craik	<u>Koskie Glavin Gordon</u> Charles Gordon
9	Sept. 28, 2015	British Columbia	Trevor Renner v. Volkswagen Aktiengesellschaft et al. (Court File No. S157982)	Trevor Renner	<u>Camp Fiorante</u> <u>Matthews Mogerman</u> David G.A. Jones
10	Sept. 29, 2015	Ontario	Jack Mastromattei et al. v. Volkswagen Group Canada, Inc. et al. (Court File No. CV-15-00537432-00CP)	Jack Mastromattei Jay MacDonald	<u>Roy O'Connor LLP</u> David F. O'Connor J. Adam Dewar Sean M. Grayson
11	Oct. 6, 2015	Alberta	Ron G. Hunter v. Volkswagen Aktiengesellschaft et al. (Court File No. 1501-11729)	Ron G. Hunter	<u>Siskinds LLP</u> Daniel Bach Emilie Maxwell <u>Jensen Shawa</u> <u>Solomon Duguid</u> <u>Hawkes LLP</u> Carsten Jensen Simon McCleary
12	Oct. 7, 2015	New Brunswick	Lloyd Meehan et al. v. Volkswagen Group Canada, Inc. et al. (Court File No. SJC-427-15)	Lloyd Meehan Sarah Meehan	<u>Gilbert McGloan Gillis</u> Rodney J. Gillis, Q.C.
13	Oct. 20, 2015	British Columbia	Charles MacKenzie et al. v. Volkswagen Aktiengesellschaft et al. (Court File No. S158649)	Charles MacKenzie Laura Jolicoeur Denis Jolicoeur	<u>Klein Lawyers LLP</u> David A. Klein

No.	Filing Date	Jurisdiction / Court	Case Name	Putative Representative Plaintiff(s)	Counsel for Plaintiffs
14	Oct. 27, 2015	Ontario	Theodore Charnish v. Volkswagen Group of America et al. (Court File No. CV-15-539195-00CP)	Theodore Charnish	<u>McPhadden Samac Tuovi LLP</u> Brian Calvin McPhadden Peter E. Tuovi Idan Erez
15	Nov. 6, 2015	British Columbia	Joyce McPherson et al. v. Volkswagen Aktiengesellschaft et al. (Court File No. S159236)	Joyce McPherson Joseph Gard	<u>Lemer & Company</u> Bruce W. Lemer
16	Nov. 27, 2015	Nova Scotia	James Jenkins v. Volkswagen Aktiengesellschaft et al. (Court File No. 445800)	James Jenkins	<u>Wagners</u> Raymond F. Wagner
17	Dec. 14, 2015	Saskatchewan	Brian Mitchell-Walker et al. v. Volkswagen Group Canada, Inc. et al. (Court File No. QBG: 2903/15)	Brian Mitchell-Walker Mandy Giroux Roy Looyenga	<u>McKercher LLP</u> Daniel P. Kwochka

Schedule G

SCHEDULE "G"

Known consumer proceedings other than by Class Counsel that concern the Affected Vehicles and are pending in Canada as of the date of the Settlement Agreement

No.	Filing Date	Jurisdiction / Court	Case Name	Counsel for Plaintiff(s)
CLASS ACTIONS				
1	Sept. 21, 2015	British Columbia	John Englehart v. Volkswagen Aktiengesellschaft et al. (Court File No. 174219)	Merchant Law Group LLP
2	Sept. 22, 2015	Québec	Sylvain Juneau v. Volkswagen Group Canada, Inc. et al. (Court File No. 500-06-000762-159)	Kugler Kandestin LLP
3	Sept. 22, 2015	Ontario	Jessica Lancaster v. Volkswagen Aktiengesellschaft et al. (Court File No. CV-15-5369624)	Merchant Law Group LLP
4	Sept. 22, 2015	Québec	Alex St-Onge v. Volkswagen Aktiengesellschaft et al. (Court File No. 500-06-000764-155)	Merchant Law Group LLP
5	Sept. 23, 2015	Federal Court of Canada (Ontario)	Shaun Reginald Breedon v. Volkswagen Group Canada, Inc. et al. (Court File No. T-1607-15)	Campisi LLP
6	Sept. 23, 2015	Saskatchewan	Tyler Busch v. Volkswagen Aktiengesellschaft et al. (Court File No. QBG: 2225/15)	Merchant Law Group LLP
7	Sept. 23, 2015	Québec	Louis Tourillon et al. v. Volkswagen Group Canada, Inc. et al. (Court File No. 500-06-000765-152)	Roy Larochelle Avocats Inc.
8	Sept. 24, 2015	Alberta	Audrey Rogers v. Audi Aktiengesellschaft et al. (Court File No. 1503-14810)	Merchant Law Group LLP
9	Oct. 14, 2015	Saskatchewan	Harold Sawatsky v. Volkswagen Group Canada, Inc. et al. (Court File No. QBG: 2415/15)	Merchant Law Group LLP

No.	Filing Date	Jurisdiction / Court	Case Name	Counsel for Plaintiff(s)
10	Oct. 20, 2015	Ontario	Korey Gregory Kilpatrick et al. v. Volkswagen Aktiengesellschaft et al. (Court File No. CV-15-538736-00CP)	Kim Orr Barristers P.C.
11	Oct. 22, 2015	Manitoba	Peter Harms v. Volkswagen Aktiengesellschaft et al. (Court File No. C1 15-01-98429)	Merchant Law Group LLP
12	Oct. 22, 2015	Nova Scotia	Donald Kennedy v. Volkswagen Aktiengesellschaft et al. (Court File No. 444629)	Merchant Law Group LLP
13	Oct. 23, 2015	New Brunswick	Priscilla McQuade v. Volkswagen Aktiengesellschaft et al. (Court File No. MC 705-15)	Merchant Law Group LLP
14	Oct. 28, 2015	Newfoundland	Geraldine Candace Mercer v. Volkswagen Aktiengesellschaft et al. (Court File No. 2015-01G5563 CP)	Merchant Law Group LLP
JOINDER ACTIONS				
15	Feb. 29, 2016	Saskatchewan	Daniel Abraham v. Volkswagen Group Canada, Inc. et al. (Court File No. QBG 458 of 2016)	Merchant Law Group LLP
16	Feb. 29, 2016	Saskatchewan	Joseph Clifford et al. v. Volkswagen Group Canada, Inc. et al. (Court File No. QBG 459 of 2016)	Merchant Law Group LLP
17	Feb. 29, 2016	Saskatchewan	Roger Murray v. Volkswagen Group Canada, Inc. et al. (Court File No. QBG 457 of 2016)	Merchant Law Group LLP
18	May 13, 2016	Saskatchewan	Victor D. Adams et al. v. Volkswagen Group Canada, Inc. et al. (Court File No. QBG 1141 of 2016)	Merchant Law Group LLP

Schedule H

**Claims Program
and
Administration**

In this Schedule, Volkswagen and Audi dealerships are referred to as “Dealerships”. Claimants will be able to choose the Dealership where they wish to attend for any of the processes described below, subject to their eligibility and Dealerships’ availability and scheduling. Unless otherwise provided in this Schedule, capitalized terms have the meaning as set forth in the Settlement Agreement.

SCHEDULE “H” CLAIMS PROGRAM AND ADMINISTRATION

The Claims Process for Settlement Class Members. Settlement Class Members will have until at least **September 1, 2018** to submit a complete and valid Claim pursuant to the Settlement Agreement (the “Settlement”) and, if eligible, until at least **December 30, 2018** to obtain their chosen benefit (the “Claims Period”).

The Claims Process will take place in five steps, summarized here.

- At **Step 1**, based on information they provide online or by telephone, Settlement Class Members will obtain information about their available options. During the Claims Process, Settlement Class Members can proceed at their chosen pace. For example, if a Settlement Class Member is certain they would like a Buyback or Buyback With Trade-In, they can immediately proceed to submitting the required documentation in Step 2 below. If a Settlement Class Member wishes to take time to consider his or her options further before proceeding, they can pause the Claims Process at Step 1, with the understanding that they will have until at least September 1, 2018 to submit a complete and valid Claim and, if eligible, until at least December 30, 2018 to obtain their chosen benefit.
- At **Step 2**, once a Settlement Class Member is ready to proceed with the Claims Process, the Settlement Class Member will submit a Claim Form that contains certain information about his or her Eligible Vehicle along with required documentation, which varies depending on the benefit selected. Because the benefits require different documentation to be submitted, the Claim Form will prompt the Settlement Class Member to make an initial non-binding benefit selection that can later be changed, as described below. Once a Claim Form is submitted, the Settlement Class Member becomes a Claimant.

- At **Step 3**, the Claimant's eligibility or ineligibility to participate in this Settlement will be determined. Claimants who are eligible are Eligible Claimants under the Claims Process. An offer will be made to Eligible Claimants.
- At **Step 4**, Eligible Claimants will confirm their selection of an offered benefit, accept their offer and, if necessary, schedule an appointment at their preferred Dealership, subject to capacity and availability. If Eligible Claimants change their mind about which benefits option they want, they can, at any point until twenty days before they attend at the Dealership to receive their benefit, go back to Step 2 and submit the required information or documentation to proceed with a different option. Such changes will affect how quickly the Claims Process can be completed. For greater clarity, an Eligible Claimant's choice cannot be changed less than twenty days from a confirmed appointment date.
- At **Step 5**, Eligible Claimants will obtain their chosen benefit in exchange for an Individual Release. Current owners or lessees will (i) sell or surrender their vehicle to Volkswagen and, where applicable, trade in their vehicle to a Dealership, or (ii) receive the Approved Emissions Modification at a Dealership, if and when available. Eligible Claimants will also receive a Damages Payment, as described in the Settlement Agreement and Exhibit 5.
- Payments to Eligible Claimants who elect the Approved Emissions Modification for model year 2015 Eligible Vehicles will, where applicable, be made in two stages, as described in the Settlement Agreement and Exhibit 5.

Details about the Steps of the Claims Process

STEP 1: Obtaining Information about Available Benefits. As part of the Claims Process, Settlement Class Members will receive information about the benefits that may be available to them. This information will remain available throughout the Claims Period on the Settlement Website and through the Settlement Phone Number. Settlement Class Members can take their time to consider that information. They will have until at least September 1, 2018 to submit a complete and valid Claim and, if eligible, until at least December 30, 2018 to obtain their chosen benefit.

- a) **Obtaining Information Electronically Via the Settlement Website (Preferred).** Settlement Class Members who wish to receive general information and / or email updates about the Settlement may visit the Settlement Website during the Claims Period and sign up to receive

updates by providing the following information to the Claims Administrator:

- (i) Settlement Class Member's name
- (ii) Email address
- (iii) Mailing address

Settlement Class Members may choose to receive information from the Claims Administrator about Dealerships near them that can provide information about the purchase of a new or used Volkswagen or Audi vehicle in connection with the Buyback With Trade-In option.

Online Claim registration, which is expected to make the process of submitting a Claim easier and faster, will also be available via the Settlement Website and may require the Settlement Class Member to provide to the Claims Administrator with information and documentation verifying his or her identity and establishing his or her eligibility to participate in the Claims Program, which may include:

- (i) Settlement Class Member's name
- (ii) Contact information, including email, mailing address, and phone number
- (iii) Vehicle registration information or other proof of ownership
- (iv) Vehicle Identification Number (VIN)
- (v) Vehicle mileage (if the Settlement Class Member is a current owner/lessee)
- (vi) Information regarding any outstanding vehicle financing or lease information and documentation including term of lease and lease payments

After the Settlement Class Member has registered, an individualized preliminary non-binding summary of benefits that may be available for that Settlement Class Member will be generated and presented by the Claims Administrator. At this time (and at any other time until twenty days before they receive a benefit under this Settlement), the Settlement Class Member may pause to consider his or her options or wait until more information about the Approved Emissions Modification becomes available. Settlement Class Members should bear in mind that they will have until at least September 1, 2018 to submit a complete and valid Claim and, if eligible, until at least December 30, 2018 to obtain their chosen benefit.

- b) **Obtaining Information over the Phone.** Settlement Class Members may also obtain information about their available benefits over the phone by calling the Claims Administrator at 1-888-670-4773. Settlement Class Members who wish to learn about their available options over the phone will need to provide the same information that is required to be provided through the Settlement Website.

STEP 2: Submitting a Claim. The next step is to formally submit a Claim. At this step, Settlement Class Members will provide to the Claims Administrator additional information and documentation not already provided and make a preliminary (non-binding) choice of one of the benefits presented, which can be changed at any point prior to Step 4. Settlement Class Members have two different options for submitting a Claim to participate in the Settlement: online via the Settlement Website or by mail. Settlement Class Members who submit a Claim online will receive a "Claim Number" by email once their initial submission has been processed. Settlement Class Members who submit a Claim Form by mail will receive a Claim Number by mail once their Claim Form is received and their initial submission has been processed.

a) Settlement Class Members Have Two Options for Submitting a Claim.

- i. **Option One (Preferred) – Submit a Claim electronically.** Settlement Class Members who have registered online may submit an online Claim Form to the Claims Administrator. To do so, the Settlement Class Member will upload required information or documentation not already provided based on their preliminary, non-binding benefit selection. Documentation required may include (if applicable) a driver's license or other government-issued photo identification, the dates the Settlement Class Member owned or leased the Eligible Vehicle, current vehicle registration and financial consent forms. Additional documentation may be required to verify eligibility depending on the nature of the Claim.
- ii. **Option Two – Submit a Claim by mail.** Settlement Class Members may submit a Claim to the Claims Administrator by completing a paper Claim Form and submitting it by mail along with all required documentation. The paper Claim Form will require the same information and documentation as the online Claim Form.

Special Circumstances. Different and additional documentation may be required to establish eligibility for Settlement Class Members in special circumstances including, but not limited to, military or government personnel serving overseas, decedent estates or any issues arising with respect to liens, bankruptcy and stolen vehicles, divorce and family or child support.

STEP 3: Verification. Based on information and documents collected from Settlement Class Members, a determination will be made by the Claims Administrator about the Settlement Class Member's eligibility (or ineligibility) to participate in the Settlement. Once a Settlement Class Member's eligibility is verified, the Settlement Class Member becomes an Eligible Claimant. Subsequently, an offer will be presented by the Claims Administrator to the Eligible Claimant including the Eligible Claimant's Vehicle Value, Fair Market Value and Damages Payment, as applicable.

STEP 4: Acceptance of Offer and Scheduling Appointments

- a) **Offer.** Eligible Claimants will be sent an offer by the Claims Administrator. Eligible Claimants who submitted a Claim online will receive their offer online and, if they so choose, by email. Eligible Claimants who submitted a Claim by mail will receive their notification and offer by mail or, if they so choose, by email.

Accepting the Offer or Selecting a Different Benefit. Once an offer is made, Eligible Claimants may confirm their choice to the Claims Administrator and accept the offer online (if they submitted their Claim online) or by submitting a paper acceptance form (if they submitted their Claim by mail).

After an offer is made, Eligible Claimants may defer final selection of their chosen benefit or even select a different benefit, if available. For example, if the Approved Emissions Modification is not yet available for an Eligible Claimant's vehicle, the Eligible Claimant can wait and receive further updates before formally accepting an offer. Eligible Claimants eligible for a Buyback, Buyback With Trade-In, Surrender For Inoperability, Early Lease Termination or Approved Emissions Modification will have the ability to change their benefit selection until Step 4 is completed, even if they have accepted an offer. This will affect the timing of any benefit received and may require the Eligible Claimant to submit additional documentation to the Claims Administrator to verify eligibility to receive the alternative benefit.

As noted previously, although Eligible Claimants can preserve their options until twenty days prior to their appointment date if they are eligible for and choose a Buyback, Buyback With Trade-In, Surrender For Inoperability, Early Lease Termination or Approved Emissions Modification, the deadline for submitting a complete and valid claim to the Claims Administrator is as early as **September 1, 2018** and for obtaining their chosen benefit is as early as **December 30, 2018**.

Scheduling. For Eligible Claimants who currently own or lease an Eligible Vehicle, a visit to a Dealership will be required to obtain their chosen benefit under the Settlement. Appointments for a Buyback, Buyback With Trade-In, Surrender For Inoperability or Approved Emissions Modification will be arranged as expeditiously as possible but, in any event, appointments within 90-120 days of an Eligible Claimant's acceptance of an offer will be offered. Appointments for an Early Lease Termination will also be arranged as expeditiously as possible but, in any event, appointments within 45-60 days of acceptance will be offered. When an appointment to obtain the selected benefit becomes available, the Eligible Claimant will be notified by email and/or mail, depending on the Eligible Claimant's stated preference, and information will be posted online for the Eligible Claimant via the Settlement Website if they have registered online. The Eligible Claimant may then schedule an appointment online or directly over the phone at 1-888-670-4773.

- a) **Pre-Surrender Confirmation Call.** To determine their Vehicle Value and/or Fair Market Value, Eligible Owners choosing a Buyback or Buyback With Trade-In must provide the Claims Administrator with confirmation of their vehicle's current mileage no more than twenty (20) days before surrendering their vehicle to a Dealership. The Claims Administrator will contact Eligible Owners by telephone at a time agreed upon, and Eligible Owners must make themselves available to receive the telephone call and provide the required confirmation. If the confirmation cannot be provided despite reasonable efforts by the Claims Administrator, Eligible Owners will be required to book a new appointment based on Dealership availability through the Claims Portal or by telephone at 1-888-670-4773. Such changes will affect how quickly their Claims Process can be completed.
- b) **Buyback, Buyback With Trade-In, Surrender For Inoperability and Early Lease Termination Scheduling.** Although the Buyback, Buyback With Trade-In, Surrender For Inoperability and Early Lease Termination will take place at a Dealership, the appointments must be scheduled with the Claims Administrator either online through the Claims Portal or via phone at 1-888-670-4773 in order to ensure that appointments are coordinated properly with Dealerships. Dealerships will not be able to schedule appointments directly with Eligible Claimants for a Buyback, Buyback With Trade-In, Surrender For Inoperability or Early Lease Termination.
- c) **Approved Emissions Modification Scheduling.** If and when VW receives approval from the appropriate regulator(s) to implement the Approved Emissions Modification on a particular Eligible Vehicle, a notification will be sent to Settlement Class Members who have not

already received a Buyback, Buyback With Trade-In, Surrender For Inoperability or Early Lease Termination, informing them about the available Approved Emissions Modification and that they may schedule an appointment to bring their Eligible Vehicle to a Dealership for the modification. Upon receipt of this notice, Eligible Claimants who have not yet selected or received a benefit and who are otherwise eligible may choose to have the Approved Emissions Modification performed on their vehicle. Unlike the Buyback, Buyback With Trade-In, Surrender For Inoperability or Early Lease Termination appointments, appointments to obtain the Approved Emissions Modification must be scheduled directly with a Dealership in order to ensure the availability of service department staff. After submitting their Claim and accepting an offer for the Approved Emissions Modification, Eligible Claimants can call their preferred Dealership directly to set up an appointment. Because model year 2015 Eligible Vehicles will need to receive the Approved Emissions Modification in two stages, a second appointment to complete the second stage will have to be scheduled at a later date.

STEP 5: Obtaining a Benefit. An Eligible Claimant will complete their Claim and receive their benefit in accordance with the Settlement Agreement.

- a) **Closing Documents.** Eligible Claimants who opt for a Buyback, Buyback With Trade-In, Surrender For Inoperability, Approved Emissions Modification or Early Lease Termination will need to complete a package of required documents at the Dealership when they attend to complete their Claim. They will need to provide the Claims Administrator with an executed Individual Release before their appointment at the Dealership. An Eligible Claimant who has filed a Claim electronically will be able to view the package of required documents on the Claims Portal before attending at the Dealership. Claimants who no longer own their Eligible Vehicle will need to complete a package of required documents (including an Individual Release) and mail it back to the Claims Administrator in order to receive their Damages Payment.
- b) **Buyback, Surrender For Inoperability or Early Lease Termination.** On the appointed day, an Eligible Claimant will meet with a VW / Audi representative at a Dealership to complete the Buyback, Surrender For Inoperability or Early Lease Termination. The representative will verify the identity of the Eligible Claimant and Eligible Vehicle, confirm the current mileage on the Eligible Vehicle (if applicable), collect necessary or outstanding documentation, take possession of the Eligible Vehicle and deliver payment to the Eligible Claimant (and trigger payment to the lender(s), if applicable and directed in writing by the Eligible Claimant). An Eligible Claimant may be required to bring a certified cheque to the

Dealership at the time of Buyback, Surrender for Inoperability or Early Lease Termination where a payment remains to clear title to the Eligible Vehicle or for monies owing under the terms of the lease due to, for example, excess mileage or wear and tear. Note that Eligible Claimants electing Early Lease Termination also will have to follow the end of lease process in accordance with the terms of the Lease Agreement one week prior to surrendering the vehicle.

- c) **Buyback With Trade-In.** An Eligible Claimant will be given information by the Claims Administrator through the Settlement Website about communicating with a Dealership regarding the Buyback With Trade-In option in order to assist the Eligible Claimant in considering this option. Completion of the Buyback With Trade-In will require, among other things, the following steps to take place: (i) communicate with the Dealership to consider a replacement vehicle; (ii) finalize Buyback With Trade-In decision online or by mail; and (iii) schedule the Buyback With Trade-In appointment with the Claims Administrator online through the Claims Portal or via phone at 1-888-670-4773. Upon attendance at the Dealership for the Buyback With Trade-In appointment, the Dealership will verify the identity of the Eligible Claimant and Eligible Vehicle, confirm the current mileage on the Eligible Vehicle, collect necessary or outstanding documentation, accept the trade-in of the Eligible Vehicle at its Fair Market Value, apply (all or a portion of) the Fair Market Value to the purchase of a replacement vehicle, deliver payment to the Eligible Claimant if applicable of any amount due (and trigger payment to the lender(s), if applicable and directed in writing by the Eligible Claimant). The Fair Market Value is an estimate only when the offer is made in Step 4. Fair Market Value is finalized no more than 20 days before the surrender date. An Eligible Claimant may be required to bring a certified cheque to the Dealership at the time of Buyback With Trade-In where a payment remains to clear title to the Eligible Vehicle.
- d) **Loan Obligations.** If the Eligible Vehicle is under a Loan Obligation, it will be the responsibility of the Eligible Claimant to ensure the vehicle's title is clear of any and all liens or security registrations. It is also the Eligible Claimant's responsibility to ensure that any unpaid Québec traffic tickets and fines are resolved. VW will be authorized to communicate with the Eligible Claimant's bank in advance of a Buyback, Buyback With Trade-In or Surrender For Inoperability, pursuant to a written consent form executed by the Eligible Claimant, to collect all information that may be required to confirm title is clear or can be cleared through the Claims Process, and arrange payment to the lender(s), if applicable and directed in writing by the Eligible Claimant.

- e) **Approved Emissions Modification.** If and when the Approved Emissions Modification is available, an Eligible Claimant who opts for the Approved Emissions Modification will bring their Eligible Vehicle to the Dealership to obtain the modification. If an Approved Emissions Modification is scheduled to last longer than three hours, a loaner vehicle will be made available at no cost to an Eligible Claimant, as long as a loaner vehicle is reserved by the Eligible Claimant when they schedule their appointment with the Dealership. Upon completion of the Approved Emissions Modification, the Eligible Claimant will provide their Claim Number and verification of identity to a representative of the Dealership. The Dealership will then immediately provide confirmation to the Claims Administrator and VW that the Approved Emissions Modification has been completed, which will trigger the Damage Payment process and the Approved Emissions Modification Warranty.
- f) **Payments.** Payments for the Buyback, Buyback With Trade-In and Surrender For Inoperability and Damage Payments will be made by cheque.
- g) **Cheque.** For an Eligible Claimant who does not require an appointment to complete their benefit, a cheque will be sent by mail within fifteen days of accepting an offer and executing and submitting an Individual Release. For an Eligible Claimant who opts for a Buyback, Buyback With Trade-In, Surrender For Inoperability or Early Lease Termination, a cheque for the full amount due, if any, will be available at the Dealership, unless the Vehicle Value and Fair Market Value (if applicable) requires adjustment upon surrender as a result of any mileage difference from that reported to the Claims Administrator on the Pre-Surrender Confirmation Call at Step 4. If a lower payment is required, no cheque will be delivered and the Eligible Claimant will be required to book a new appointment based on Dealership availability through the Claims Portal or by telephone at 1-888-670-4773. An Eligible Claimant that elects the Approved Emissions Modification will have a cheque mailed to them within fifteen days of the completed Approved Emissions Modification.
- h) **Release and Receipt.**
 - i. **Release.** All Eligible Claimants are required to execute an Individual Release in exchange for a benefit or payment received under the Settlement. The Individual Release will not become effective until the benefit/payment is received by the Eligible Claimant.
 - ii. **Receipt.** An Eligible Claimant will be issued a receipt at the final stage of receiving a benefit under the Settlement, indicating the

details of their benefit or payment, which may include verification that they surrendered their Eligible Vehicle, identifying the Fair Market Value if applied or indicating that they had the Approved Emissions Modification completed on their Eligible Vehicle.

Contested Claims. If a Claimant contests a decision made about their eligibility or about whether their benefit was accurately calculated, that Claimant may in certain circumstances appeal the decision. For more information, visit www.VWCanadaSettlement.ca or call the Claims Administrator at 1-888-670-4773.

Claim Period. The Claim Period will run from no later than April 28, 2017. Settlement Class Members will have until at least September 1, 2018 to submit a complete and valid Claim, including all information and documentation necessary to establish eligibility, and, if eligible, until at least December 30, 2018 to accept an offer and, if necessary, visit a Dealership to obtain their benefit.

Appendix "C"
Class Action Settlement Approval Orders

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE
JUSTICE BELOBABA

) Friday, THE 21 DAY
)
) OF APRIL, 2017

BETWEEN:

MATTHEW ROBERT QUENNEVILLE, LUCIANO TAURO,
MICHAEL JOSEPH PARE, THERESE H. GADOURY,
AMY FITZGERALD, RENEE JAMES, AL-NOOR WISSANJI,
JACK MASTROMATTEI and JAY MACDONALD

Plaintiffs



- and -

VOLKSWAGEN GROUP CANADA, INC.,
VOLKSWAGEN AKTIENGESELLSCHAFT,
VOLKSWAGEN GROUP OF AMERICA, INC., AUDI
CANADA, INC., AUDI AKTIENGESELLSCHAFT, AUDI OF
AMERICA INC. and VW CREDIT CANADA, INC.

Defendants

Proceeding under the *Class Proceedings Act, 1992*

**ORDER
(Approval Order)**

THIS MOTION made by the plaintiffs in this action for an Order approving the Settlement Agreement dated December 15, 2016 ("Settlement Agreement") and the Approval Notice and appointing RicePoint Administration Inc. ("RicePoint") as the Claims Administrator, the Bank of Nova Scotia Trust Company as the Trustee, and The Honourable François Rolland as the Arbitrator for the purposes set out in this Order (the "Approval Order") was heard March 31, 2017 at the Courthouse, 361 University Avenue, Toronto, Ontario.

ON READING the materials filed and on hearing the submissions of class counsel in this action ("National Class Counsel"), certain Settlement Class Members who filed Objection Forms and counsel for the Defendants;

AND ON BEING ADVISED that the termination right provided at section 11.10 of the Settlement Agreement was not triggered;

AND ON BEING ADVISED that RicePoint consents to being appointed Claims Administrator;

AND ON BEING ADVISED that the Bank of Nova Scotia Trust Company consents to being appointed Trustee;

AND ON BEING ADVISED that the former Chief Justice of the Superior Court of Québec, The Honourable François Rolland, consents to being appointed Arbitrator for the purposes set out in this Order;

AND ON BEING ADVISED that the Office of the Public Guardian and Trustee and the Children's Lawyer take no position;

AND for written reasons that will be released by this Court in due course:

1. **THIS COURT DECLARES** that, except as otherwise stated, capitalized terms used in this Order incorporate and adopt the definitions given to those terms in the Settlement Agreement, attached as **Schedule "A"**.

2. **THIS COURT DECLARES** that the Settlement Agreement is fair, reasonable and in the best interests of the National Settlement Class.
3. **THIS COURT ORDERS** that the Settlement Agreement is approved pursuant to section 29 of the *Class Proceedings Act, 1992*, SO 1992, c 6.
4. **THIS COURT DECLARES** that this Order will become effective only if and when the Settlement Agreement is also approved by the Superior Court of Québec in the Option consommateurs Action. If the Superior Court of Québec does not approve the Settlement Agreement, this Order will be null and void.
5. **THIS COURT ORDERS** that the Settlement Agreement be implemented in accordance with its terms, except that, pursuant to section 13.1 of the Settlement Agreement, the Settlement Agreement is amended in accordance with the stipulation between the Parties, attached as **Schedule "B"**.
6. **THIS COURT DECLARES** that the Claims Period Deadline will be December 30, 2018, unless otherwise provided by section 2.23 of the Settlement Agreement.
7. **THIS COURT ORDERS** that all provisions of the Settlement Agreement (including its Recitals and Definitions) form part of this Order and are binding upon VW, the Settlement Class Representatives (excluding Option consommateurs), the Related Action Plaintiffs and all members of the National Settlement Class, and any requirements of Rules 7.04(1) and 7.08(4) of the *Rules of Civil Procedure*, RRO 1990, Reg 194 are waived. The National Settlement Class does not include the thirty six persons listed in

Schedule "C" to this Order who validly opted out in accordance with this Court's December 19, 2016 order ("Consent Certification Order"), or other Excluded Persons.

8. **THIS COURT ORDERS** that the Settlement Class Release is approved and shall take effect upon entry of the Approval Orders in the Actions.
9. **THIS COURT ORDERS** that, upon the Effective Date of the Settlement Agreement, the Released Parties absolutely and unconditionally release and forever discharge the Settlement Class Representatives (excluding Option consummateurs), Related Action Plaintiffs, members of the National Settlement Class and National Class Counsel from any and all claims relating to (a) the institution or prosecution of the portion of the litigation pertaining to 2.0-litre diesel vehicles, and (b) any tax effect to VW and/or any Authorized VW Dealer from implementation of the Settlement Agreement.
10. **THIS COURT ORDERS** that the Approval Notice, substantially in the form attached as **Schedule "D"**, is approved.
11. **THIS COURT ORDERS** that the Approval Notice be disseminated pursuant to the Notice Program, attached as **Schedule "E"**, in accordance with the Consent Certification Order.
12. **THIS COURT ORDERS** that RicePoint is appointed Claims Administrator.
13. **THIS COURT ORDERS** that the Bank of Nova Scotia Trust Company is appointed Trustee.

14. **THIS COURT ORDERS** that former Chief Justice of the Superior Court of Québec, The Honourable François Rolland, is appointed Arbitrator for the purpose of section 8 of the Settlement Agreement.
15. **THIS COURT ORDERS** that, if there is no Approved Emissions Modification Option available for certain Eligible Vehicles by June 15, 2018, a Second Opt-Out Period will run from June 15, 2018 until August 15, 2018, during which time Eligible Owners, Eligible Lessees and Eligible Purchasers of such Eligible Vehicles, who have not received benefits under the Settlement Agreement, may opt out of the National Settlement Class.
16. **THIS COURT DECLARES** that the Parties may by written agreement, and without further notice to the National Settlement Class or order of the Court, amend, modify or expand the terms and provisions of the Settlement Agreement, provided that any such changes are consistent with this Order and do not limit the rights of the members of the National Settlement Class under the Settlement Agreement.
17. **THIS COURT DECLARES** that Counsel Fees payable to National Class Counsel will be either negotiated and submitted for approval or determined by this Court in accordance with section 12.1 of the Settlement Agreement.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO.:

APR 21 2017

PER / PAR:

Q

Edo Jellinek J.

SCHEDULE "B"

The Parties stipulate that the following constitute amendments to the Settlement Agreement, dated December 15, 2016. All capitalized terms have the definitions that are set out in the Settlement Agreement, except as amended herein.

Effective Date

The Effective Date shall be two (2) business days following the Settlement Approval Date. This definition of Effective Date supersedes the definition in Section 2.34 of the Settlement Agreement.

All Parties waive the right to appeal or collaterally attack the Approval Orders issued by the Courts.

The rights conferred by Section 13.3 of the Settlement Agreement must be exercised, if at all, by the Effective Date as defined herein.

Warranty Period

Section 4.8.4.2 of the Settlement Agreement is hereby amended to read as follows:

"The warranty period for the Approved Emissions Modification Extended Warranty for Generation 3 engine vehicles shall be both:

- (a) 11 years or 261,000 km, whichever comes first, from the vehicle's Original In Service Date; and
- (b) 5 years or 97,000 km, whichever comes first, from the date and mileage of implementing the first stage of the Approved Emissions Modification. At the time of the second stage of the Approved Emissions Modification, the warranty period will be honoured for 5 years or 97,000 km, whichever comes first, from the date and mileage of the completion of the second stage."

Claims Program Administration

Section 6.11 of the Settlement Agreement is hereby amended to read as follows:

"Any personal information acquired as the result of the Settlement Agreement shall be used solely for purposes of evaluating and paying Claims under this Settlement Agreement. All information relating to the Claims Program and processing is confidential and proprietary and shall not be disclosed, except as necessary to the Claims Administrator, Class Counsel, VW, Authorized VW Dealers, the Arbitrator and the Courts in accordance with the terms of this Settlement Agreement, and as required by legal process or by VW to comply with obligations to regulators in Canada. The Claims Administrator shall take security measures to prevent unauthorized access to personal information it obtains under this Settlement Agreement, as well as to prevent the loss, destruction, falsification, and leakage of such personal information. VW shall respond immediately with appropriate measures when issues arise related to the confidentiality of a Settlement Class Member's information."

Trust Account

Section 7.2 of the Settlement Agreement is hereby amended to read as follows:

"No later than the date of the commencement of the Claims Period, VW shall fund the Trust Account (the 'Funding Amount'). The Initial Funding Amount shall be \$250,000,000.00 (the 'Initial Funding Amount')."

Honorarium

Pursuant to Section 12.2 of the Settlement Agreement, VW agrees to pay an honorarium in the amount of CAD \$49,975.00 to the Related Action Plaintiffs and Settlement Class Representatives, except Oplon consommateurs, to be distributed as determined by Class Counsel except Belleau Lapointe LLP.

Dated: April 20, 2017

Counsel for DAVID BLACKMORE, THEODORE CHARNISH, CHARLES CRAIK, MARLIE DEMONTIGNY, AMY FITZGERALD, THERESE H. GADOURY, JOSEPH GARD, MANDY GIROUX, QUINN HANSON, RON G. HUNTER, RENEE JAMES, JAMES JENKINS, DENIS JOLICOEUR, LAURA JOLICOEUR, ROY LOOYENGA, JAY MACDONALD, CHARLES MACKENZIE, JONATHAN MARTIN, JACK MASTROMATTEI, JOYCE MCPHERSON, LLOYD MEEHAN, SARAH MEEHAN, BRIAN MITCHELL-WALKER, MICHAEL JOSEPH PARE, MATTHEW ROBERT QUENNEVILLE, TREVOR RENNER, JOHN SMITH, LUCIANO TAURO, AL-NOOR WISSANJI and 1006123 B.C. LTD. DBA BLITZKRIEG MOTORCARS

By:

Harvey T. Strosberg

Harvey T. Strosberg, Q.C.
STROSBERG, SASSO, SUTTS LLP
1561 Ouellette Avenue
Windsor, ON N9X 1K5
E-mail: harvey@strosbergco.com

By:

Charles M. Wright
SISKINDS LLP
680 Waterloo Street
London, ON N6A 3V8
E-mail: charles.wright@siskinds.com


Honorarium

Pursuant to Section 12.2 of the Settlement Agreement, VW agrees to pay an honorarium in the amount of CAD \$49,975.00 to the Related Action Plaintiffs and Settlement Class Representatives, except Option consommateurs, to be distributed as determined by Class Counsel except Belleau Lapointe LLP.

Dated: April 20, 2017

Counsel for DAVID BLACKMORE, THEODORE CHARNISH, CHARLES CRAIK, MARLIE DEMONTIGNY, AMY FITZGERALD, THERESE H. GADOURY, JOSEPH GARD, MANDY GIROUX, QUINN HANSON, RON G. HUNTER, RENEE JAMES, JAMES JENKINS, DENIS JOLICOEUR, LAURA JOLICOEUR, ROY LOOYENGA, JAY MACDONALD, CHARLES MACKENZIE, JONATHAN MARTIN, JACK MASTROMATTEI, JOYCE MCPHERSON, LLOYD MEEHAN, SARAH MEEHAN, BRIAN MITCHELL-WALKER, MICHAEL JOSEPH PARE, MATTHEW ROBERT QUENNEVILLE, TREVOR RENNER, JOHN SMITH, LUCIANO TAURO, AL-NOOR WISSANJI and 1006123 B.C. LTD. DBA BLITZKRIEG MOTORCARS

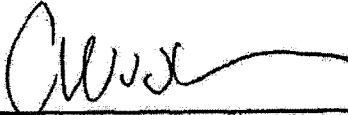
By: _____
Harvey T. Strosberg, Q.C.
STROSBERG, SASSO, SUTTS LLP
1561 Ouellette Avenue
Windsor, ON N8X 1K5
E-mail: harvey@strosbergco.com

By:  _____
Charles M. Wright
SISKINDS LLP
680 Waterloo Street
London, ON N6A 3V8
E-mail: charles.wright@siskinds.com

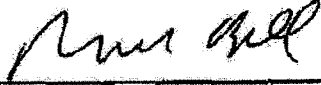
Counsel for OPTION CONSOMMATEURS

By: 
Daniel Belleau
BELLEAU LAPOINTE LLP
306 D'Youville Place (B-10)
Montréal, QC H2Y 2B6
E-mail: dbelleau@belleaulapointe.com

Counsel for VOLKSWAGEN AKTIENGESELLSCHAFT, AUDI AKTIENGESELLSCHAFT,
VOLKSWAGEN GROUP OF AMERICA, INC., VOLKSWAGEN GROUP CANADA INC., AUDI
CANADA INC. and VW CREDIT CANADA, INC.

By: 
Cheryl Woodin
BORDEN LADNER GERVAIS LLP
22 Adelaide Street West
Bay Adelaide Centre, East Tower
Toronto, ON M5H 4E3
E-mail: cwoodin@blg.com

April 19/2017

By: 
Robert Bell
LERNERS LLP
130 Adelaide Street West
Suite 2400
Toronto, ON M5H 3P5
E-mail: rbell@lernalers.ca

Court File No. CV-15-537029-00CP

MATTHEW ROBERT QUENNEVILLE et al.
Plaintiffs

- and -

VOLKSWAGEN GROUP CANADA, INC.,
Defendants

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceedings commenced at Toronto

Proceeding under the *Class Proceedings Act, 1992*

ORDER
(Approval Order)

LERNERS LLP

Barristers & Solicitors
130 Adelaide Street West, Suite 2400
Toronto, Ontario M5H 3P5

Robert Bell (LSUC #20145G)

Tel: 416-601-2374

Fax: 416-867-2435

BORDEN LADNER GERVAIS LLP

Barristers and Solicitors
Bay Adelaide Centre, East Tower
22 Adelaide Street West
Toronto, ON M5H 4E3

Cheryl M. Woodin (LSUC#40720P)

Tel: 416-367-6270

Fax: 416-367-6749

Lawyers for the Defendants

SUPERIOR COURT

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

No. 500-06-000761-151

DATE: April 21, 2017

PRESENT: THE HONOURABLE MARIE-CLAUDE LALANDE J.S.C.

OPTION CONSOMMATEURS
Representative

and

FRANÇOIS GRONDIN
Designated person

v.

VOLKSWAGEN GROUP CANADA INC. ET AL.
Defendants

and

FONDS D'AIDE AUX ACTIONS COLLECTIVES
RICEPOINT ADMINISTRATION INC.
THE HONOURABLE FRANÇOIS ROLLAND
BANK OF NOVA SCOTIA TRUST COMPANY
Impleaded parties

**JUDGMENT ON THE AMENDED APPLICATION FOR APPROVAL
OF A TRANSACTION**

**(Article 590 *et seq.* of the *Code of Civil Procedure*, section 58 *et seq.* of the
Regulation of the Superior Court of Québec in civil matters and section 32
of the *Act respecting the Fonds d'aide aux actions collectives*)**

I- CONTEXT

[1] In the automotive world, September 18, 2015, is an important date. It was when the whole planet learned that the defendants, Volkswagen Group Canada Inc., Volkswagen Aktiengesellschaft, Volkswagen Group of America Inc., Audi Canada Inc., Audi Aktiengesellschaft and Audi of America Inc. (Volkswagen), had designed sneaky software for their diesel vehicles. The purpose of the illegal software (the "Device") installed on the vehicles in question was to skew the results of compliance tests done by government authorities.

[2] The Device made it possible for Volkswagen diesel vehicles to meet applicable environmental standards, but only while such tests were being done. The rest of the time, the Device stopped masking the reality, and the vehicles' nitrogen oxide emissions greatly exceeded the legal limits.

[3] On September 22, 2015, François Grondin (Grondin¹) instituted this class action.

[4] Shortly afterward, four other actions were filed, seeking essentially the same conclusions as those sought in Grondin's suit.²

[5] On October 13, 2015, Grondin requested to have Option Consommateurs (OC) be substituted for him as the representative.

[6] On November 5, 2015, the undersigned was assigned as special case management judge for all of those suits.

[7] Following Grondin's May 30, 2016 request that *lis pendens* be declared and that an order be issued suspending the other actions, the Court allowed Grondin's claims and also allowed the request for OC to be substituted for him as the representative.

[8] Soon after that judgment, Volkswagen and Grondin began talks for the purpose of agreeing upon a settlement.

[9] At the same time, similar discussions were also underway in the framework of the Ontario Superior Court of Justice case, *Quenneville et al. vs. Volkswagen Group Canada Inc. et al.*³ (the Quenneville case).

[10] The parties to this case and those to the Quenneville case sought to retain the services of former Chief Justice of the Superior Court of Québec, the

¹ The use of family names is designed to make the text easier to read; no discourtesy toward the persons concerned is intended.

² Court File Nos. 200-06-000191-158, 500-06-000762-159, 500-06-000764-155 and 500-06-000765-152.

³ Court File No. CV-15-537029-00CP.

Honourable François Rolland, as mediator. The Honourable Justice Rolland consented to the appointment, and presided over the entire mediation. In the context of that process, the parties agreed to preserve the confidentiality of the information and documents to be exchanged.

[11] During those intensive negotiations, the Court remained informed of the progress of the talks.

[12] On December 15, 2016, the parties entered into a settlement agreement, to which they made certain amendments on April 20, 2017 (the Settlement Agreement).⁴

[13] On December 19, Volkswagen Group Canada Inc., Audi Canada Inc. and the Commissioner of Competition registered a consent agreement with the Competition Tribunal; the agreement was conditional upon the approval of the Settlement Agreement.⁵

[14] The same day, the Court allowed a motion for preliminary orders for the purpose of approval of the Settlement Agreement and authorized the class action. Further to that judgment, the parties disseminated the public notices provided for in article 590 of the *Code of Civil Procedure*.⁶

II- ISSUES IN DISPUTE

[15] OC is now requesting the Court to approve the Settlement Agreement entered into with Volkswagen.

[16] It is also requesting:

- the appointment of a Claims Administrator;
- the approval of the Notice announcing the commencement of the Claims Period;
- the appointment of an Arbitrator, who will be responsible for deciding potential contestations of decisions made by the Claims Administrator; and
- the appointment of a Trustee who will be responsible for managing the account in trust.

⁴ Exhibit R-1.

⁵ Exhibit R-6.

⁶ Exhibit R-5.

III- ANALYSIS

THE APPLICABLE LAW

[17] If a settlement agreement is fair and reasonable, it ought to be approved. The Court cannot amend the transaction between the parties: it approves it as is, or rejects it.⁷

[18] The criteria that must guide the Court in this are well known:⁸

- the probability of success of the recourse;
- the weight and nature of the evidence adduced;
- the anticipated cost and probable duration of the proceedings;
- the number and nature of the objections to the transaction;
- the counsel's recommendations and experience;
- the parties' good faith and absence of collusion;
- the terms and conditions of the transaction.

[19] As Pierre C. Gagnon J. noted:

[TRANSLATION]

The criteria apply only to the extent that they are relevant. None of them is determining or to be given priority, except for the assessment of the best interests of the class members . . .⁹

[20] What is the situation in this case?

APPLICATION OF THE CRITERIA TO THIS CASE

[21] Before looking in greater detail at the content of the Settlement Agreement and its impact on the members, it ought to be noted first that the Settlement Agreement does not resolve the entire dispute.

[22] The Settlement Agreement concerns persons who, on September 18, 2015, were owners or lessees of one of the vehicles listed hereinafter, or who

⁷ *Bouchard c. Abitibi Consolidated*, J.E. 2004-1503.

⁸ *Pellemans c. Lacroix*, 2011 QCCS 1345.

⁹ *Markus c. Reebok Canada inc.*, 2012 QCCS 3562.

became owners of such a vehicle after that date and were still owners on the date of the transaction, that is, at the time they claim the benefits provided for in the Settlement Agreement (the Class Members):

Make	Model	Model year(s)
Volkswagen	Jetta TDI	2009-2015
Volkswagen	Jetta Wagon TDI	2009
Volkswagen	Golf TDI	2010-2013, 2015
Volkswagen	Passat TDI	2012-2015
Volkswagen	Beetle TDI	2013-2015
Volkswagen	Golf Wagon TDI	2010-2014
Volkswagen	Golf Sportwagon TDI	2015
Audi	A3	2010-2013, 2015

[23] Eligible Vehicles are those equipped with a 2.0-litre (TDI) diesel engine. The Settlement Agreement therefore does not provide for rights relating to vehicles equipped with a 3.0-litre (TDI) diesel engine that are the subjects of similar allegations.

[24] Note that, following the publication of the notices, the Opt-Out Administrator appointed by the parties received 11 requests from Québec Class Members to be excluded, of which six were declared valid. Those Members subsequently confirmed their desire to be excluded.

[25] The Objection Administrator received 67 objections from Québec Class Members.

[26] At the hearing, the Court agreed to hear the comments of three Members who appeared and who had expressed objections,¹⁰ including the comments of one Member from Ontario, to which there was no objection.

[27] Now that these clarifications have been made, is the Settlement Agreement fair, equitable, reasonable and in the best interests of the Québec Class Members?

(a) The probability of success of the recourse

[28] To begin with, OC acknowledges that, from the point of view of determination of liability, it has a good case.

¹⁰ Philippe Barraud (Objection No. 427), Michael Kulchycki (Objection No. 37) and Philippe Germain (Objection No. 85).

[29] As we will see, the issues arise elsewhere.

[30] In particular, OC is pointing out that evaluating the damages is a considerable challenge, as is determining when the amounts payable for said damages could be disbursed. Moreover, once the damages have been determined, the costs and other court expenses, as well as counsel fees, will have to be taken into account.

(b) The weight and nature of the evidence adduced

[31] OC's counsel admit that their knowledge of the case cannot be as detailed as it would be on the eve of a trial.

[32] However, as they have pointed out, the Confidentiality Order issued very early in this case made it possible to obtain the disclosure of many documents. They estimate that over two million documents were sent to them during the negotiations. They also obtained other evidence through requests for access to information. In addition, they were able to take cognizance of all forms of advertising of the products concerned by the Settlement Agreement. Lastly, they were able to consult the evidence filed in the American claim case.

[33] It is undeniable that they have had access to a large amount of information, making it possible for them to perform a thorough assessment of the whole case.

(c) The terms and conditions of the Settlement Agreement

[34] As stated above, the Settlement Agreement submitted for approval results from a mediation process led by former Chief Justice, now retired, the Honourable François Rolland, and is based in particular on the expert testimony of an internationally renowned American economist, Edward M. Stockton.

[35] The Court knows that the parties, their counsel and the mediator dedicated many hours over a period that was, in the end, relatively short, to come to this result.

[36] At the time they entered into the Settlement Agreement, the parties assessed the maximum potential amount of the settlement at over \$2.1 billion. The Damages Payments alone could amount to over \$550 million.

[37] Despite the amplitude of the case, the terms and conditions of the Settlement Agreement offer a degree of flexibility through the various options offered to the majority of the Class Members.

[38] While not all of the different possibilities offered by the Settlement Agreement will be described here, they include the following:

[39] The benefits available to Eligible Owners¹¹ vary depending on whether they choose the Approved Emissions Modification,¹² Buyback or Buyback with Trade-In. In all cases, they are offered a Damages Payment.

[40] Eligible Sellers¹³ are offered half of the Damages Payment offered to Eligible Owners.

[41] Eligible Purchasers¹⁴ can choose the Approved Emissions Modification or, if that option is not available, the Buyback or Buyback with Trade-In. Damages Payments vary depending on whether or not the vehicle was leased by VW Credit Canada Inc. as at September 18, 2015, but a payment is offered in all cases.

[42] The options offered to Eligible Lessees¹⁵ vary depending on whether the lease is concluded or still active at the time of participation in the Claims Program and on whether the lessee purchased the leased vehicle and still owns it at the time of participation in the Claims Program. Damages Payments are also provided for in these cases.

[43] As previously mentioned, this short description of the terms and conditions of the Settlement Agreement is not exhaustive, but it provides a good overview of what the Agreement contains.

[44] It is important to note that no expenses or other fees will be subtracted from the amounts payable to Class Members concerned by the Settlement Agreement.

[45] The claims process also provides for the possibility, for a period of almost 16 months, of compensating Members who allegedly overpaid for vehicles that were sold and of resolving a situation of illegality stemming from the non-compliance of the said vehicles.

[46] In light of the preceding, the Court finds that the flexibility in terms of the content of the offers and when the Members can be compensated, the amounts offered and the fact that no amounts will be subtracted to pay legal fees to be positive elements in favour of approval of the Settlement Agreement.

(d) The counsel's recommendations and experience

¹¹ The owner or owners of an Eligible Vehicle on September 18, 2015 and continuing through to the time of participation in the damages program.

¹² If this modification is available for the vehicle in question. Work is still underway on developing such modifications for all of the vehicles concerned.

¹³ The owner or owners of an Eligible Vehicle on September 18, 2015, who sold it before January 4, 2017.

¹⁴ The owner or owners of an Eligible Vehicle after September 18, 2015 and continuing through to the time of participation in the damages program.

¹⁵ The lessee of an Eligible Vehicle on September 18, 2015 under the terms of a lease granted by VW Credit Canada Inc.

[47] The parties' counsel have worked intensively since the beginning of the case, but especially since June 2016, when negotiations commenced with a view to finding an amicable solution.

[48] In this case, the Court is satisfied by the level of experience that the counsel have shown regarding class actions. The demonstrations and explanations provided throughout the proceedings and the answers provided to the Court are more than satisfactory.

(e) The anticipated cost and probable duration of the proceedings

[49] There is no doubt that such a dispute would require many months, even years, of preparation before it would be thinkable to hear it. Therefore, the year 2020, suggested by the counsel, seems to be a reasonable estimate.

[50] Considering this information and the fact that millions of dollars have already been invested by the counsel for OC, it is understandable that such a settlement date so early in the process could be only to the benefit of Class Members.

(f) The recommendation of a neutral third party

[51] In this case, as mentioned above, OC called upon an expert, namely, Edward M. Stockton. From reading his two affidavits,¹⁶ the Court is satisfied with the conclusions of his report, which read as follow:

The primary questions posed to me by the Consortium Counsel were the following: first, does the proposed Settlement provide compensation to the Settlement Class sufficient to support repurchase of comparable vehicles (based on consumers' actual vehicle values) at retail value as of September 2015, the date of the announcement of the scandal? Second, do Settlement Class Members receive additional actual and potential compensation for pre-September 2015 direct and residual overpayment effects? The answer to the first question is affirmative for the Settlement Class as a whole, even prior to consideration of the MC and potential trade-in benefits. The answer to the second question is that the proposed Settlement offers substantial potential compensation beyond retail replacement cost in the form of MC and frozen Vehicle Values that allow for the avoidance of age-related and potentially use-related depreciation.¹⁷

[52] Moreover, as the counsel for OC pointed out, the Settlement Agreement is also based on an assessment of the value of the vehicles by a third party, namely, the Canadian Black Book. In the end, the fact that the Competition Bureau, as well,

¹⁶ Exhibits R-11 and R-13.

¹⁷ Exhibit R-11 at para. 46.

is satisfied with the terms of this settlement is also an indication that it is reasonable.

(g) The number and nature of the objections to the transaction

[53] As mentioned above, a certain number of Members objected to the Settlement Agreement, but with respect to the nature of the objections and the initiatives taken by Volkswagen in response,¹⁸ there is reason to conclude that a low percentage of eligible Members object to the Settlement Agreement.

[54] In this regard, the Court recalls the words of Professor Pierre-Claude Lafond concerning a similar situation:

[TRANSLATION]

It can be seen that the judge, while he has listened closely to the recriminations of the members who seek to reject the agreement, places the collective interest of the class much higher than instances of personal dissatisfaction. This example reminds us that class action proceedings have many advantages in cases such as this one, but that there is a trade-off for the beneficial effects: individual interests and emotional states must yield way to the interest of the community in question. In his wisdom and given the amplitude of the remedy granted, the judge has remained vigilant and chosen to approve the consent to judgment because he understands very well that rejecting the whole agreement on the basis of the dissatisfaction of a few members would not serve the interests of a vulnerable class where there is a chance of being compensated fairly without having to be subject to long legal timelines combined with major evidentiary difficulties. Far from showing indifference to their problems and suffering, the judge takes up the challenge of explaining the advantages of the settlement to the victims and opting for a balance among the interests in question. This is, on the part of the court, a fine demonstration of a collective conception of justice with respect to class actions.¹⁹

(h) The parties' good faith and absence of collusion

[55] Certainly, we would not be in this situation if Volkswagen had not violated the rules of good faith applying to it.

[56] However, since the beginning of this case, there has been nothing to cast doubt on its good faith to find a fair solution for the Class Members, or on the good faith of the other parties.

¹⁸ In particular by rapidly establishing a tool for calculating the amounts that could be paid to the various members and by providing explanations to people who submitted objections.

¹⁹ P.-C. Lafond, *Le recours collectif, le rôle du juge et sa conception de la justice*, (Yvon Blais, 2006) at 183.

[57] Moreover, to sweep away any doubt, it should be noted that the negotiation process was carried out in the framework of mediation presided over by the Honourable François Rolland.

[58] In addition, none of the money provided for in the Settlement Agreement will be paid to OC.

[59] In sum, taking into account the counsel's representations, the jurisprudence submitted and the fact that virtually none of the Class Members raised any objections to the approval of the Settlement Agreement, the Court finds that, in light of all the applicable criteria, the Settlement Agreement must be approved because it is fair, equitable and in the best interests of the Class Members.

[60] Lastly, OC's other requests concerning the implementation of the Settlement Agreement ought to be granted.

THEREFORE, THE COURT:

[61] **ALLOWS** this amended application for approval of a transaction;

[62] **APPROVES** and **HOMOLOGATES** the agreement entered into on December 15, 2016 between Option Consommateurs, François Grondin, Matthew Robert Quenneville, Luciano Tauro, Michael Joseph Pare, Therese H. Gadoury, Amy Fitzgerald, Renee James, Al-Noor Wissanji, Jack Mastromattei and Jay Macdonald, on one hand, and Volkswagen Group Canada Inc., Volkswagen Aktiengesellschaft, Volkswagen Group of America Inc., Audi Canada Inc., Audi Aktiengesellschaft, Audi of America Inc. and VW Credit Canada Inc., on the other hand, as amended on April 20, 2017;

[63] **DECLARES** that the definitions contained in the agreement apply to these conclusions and will be incorporated by reference into the judgment to be rendered on this application;

[64] **ORDERS** the Parties and Québec Class Members concerned by the settlement to comply with the Settlement Agreement as amended on April 20, 2017;

[65] **APPOINTS** Ricepoint Administration Inc. as Claims Administrator and **ORDERS** the latter to comply with the Settlement Agreement as amended on April 20, 2017;

[66] **APPROVES** the Approval Notice substantially in the form submitted in support of the application as Exhibit R-16 and **ORDERS** its dissemination pursuant to the Notice Program that was approved by judgment on December 19, 2016;

[67] **CONFIRMS** the appointment of the Honourable François Rolland as Arbitrator for the purposes of the appeal procedure provided for in Section 6.7 of the Settlement Agreement as amended on April 20, 2017;

[68] **APPOINTS** the Bank of Nova Scotia Trust Company to hold and manage the Trust Account for the benefit of the Eligible Claimants, in accordance with the terms of the Settlement Agreement as amended on April 20, 2017;

[69] **DECLARES** that if a Claim is submitted by a putative Québec Class Member concerned by the settlement who instituted, outside of Québec and prior to March 5, 2017, an application individually or by joinder of proceedings against the Beneficiaries of the release in relation to the Released Claims and whose application was still valid on March 5, 2017, such putative Québec Class Member concerned by the settlement will be deemed to have chosen to reintegrate into the Class concerned by the settlement for the purposes of Section 11.5 of the Settlement Agreement as amended on April 20, 2017 upon producing proof of discontinuance of the application, and **APPROVES** this reintegration;

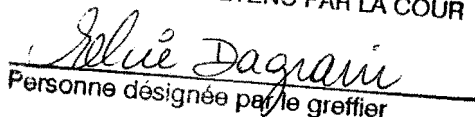
[70] **THE WHOLE**, without legal costs.

(s)
MARIE-CLAUDE LALANDE J.S.C.

Mtre. Daniel Belleau
Mtre. Maxime Nasr
Mtre. Violette Leblanc
BELLEAU LAPOINTE, s.e.n.c.r.l.
Counsel for the representative and the designated person

Mtre. Robert R. Charbonneau
Mtre. Stéphane Pitre
Mtre. Anne Merminod
Mtre. Cheryl Woodin
BORDEN LADNER GERVAIS, s.e.n.c.r.l., s.r.l.
Counsel for the defendants

Date of hearing: March 22, 2017

COPIE CERTIFIÉE CONFORME
AU DOCUMENT DÉTENU PAR LA COUR

Personne désignée par le greffier