

STATEMENT ON FINAL APPROVAL HEARING IN VOLKSWAGEN AND AUDI 2.0-LITER EMISSIONS SETTLEMENT

San Francisco, CA (October 18, 2016) — Elizabeth Cabraser, lead counsel for the consumer plaintiffs in the Volkswagen “Clean Diesel” Marketing, Sales Practices, and Products Liability Litigation, released the following statement regarding today’s final approval hearing on the Volkswagen and Audi 2.0-Liter Emissions Settlement. The hearing was held in the Northern District of California as part of the multidistrict litigation currently being overseen by Judge Charles M. Breyer. Judge Breyer informed the parties that he is “strongly inclined” to approve the settlement, but will consider the objections and issue an order by October 25, 2016.

“There is resounding support for this consumer class settlement and the substantial benefits it provides. Nearly 340,000 class members have already registered online—a remarkable figure given that the settlement has not yet been approved—and far fewer than one percent have opted out. We look forward to finalizing this agreement soon so class members can begin to take advantage of its benefits.”

Under the class action settlement agreement, Volkswagen will create a funding pool of up to \$10.033 billion dollars. The settlement will provide consumers the choice of:

- A Buyback or lease termination on approximately 475,000 2.0-liter diesel vehicles.
- If approved by the EPA and California Air Resources Board (or CARB), an emissions modification to ensure the vehicle no longer generates excess nitrogen oxide emissions.

Whether they choose a Buyback or an approved emissions modification, the settlement also offers eligible owners and lessees cash compensation. This is **in addition to** the vehicle’s buyback value or approved modification.

Under settlements with EPA and CARB, which are incorporated in the class action settlement agreement, Volkswagen will pay an additional \$2.7 billion for environmental remediation and commit another \$2.0 billion to promote Zero Emissions Vehicle technology. Volkswagen will also be required to pay additional money into a mitigation trust if it fails to remove from commerce or modify at least 85 percent of covered 2.0 liter vehicles by June 30, 2019. In addition, Volkswagen reached agreements with the Federal Trade Commission as well as a number of State Attorneys General.

Vehicle Buyback:

Under the terms of the proposed class settlement, eligible owners who choose the Buyback program will receive a payment based on the September 2015 National Automobile Dealers Association (“NADA”) Clean Trade-In value of the car (before the emissions conduct became public), adjusted for their options and mileage. Certain owners will be eligible for forgiveness of their car loan obligations, and certain lessees will be able to terminate their lease with no early termination penalty and receive a lessee payment. Volkswagen may begin buying back eligible vehicles as early as the fall of 2016, just over one year after the diesel emissions issues were first revealed.

Vehicle Fix:

Alternatively, if owners or lessees prefer, they can wait and see whether an emissions modification is approved by EPA and CARB for their vehicles. If an EPA and CARB-approved emissions modification becomes available, Volkswagen will modify their non-compliant 2.0-liter vehicle free of charge. If a modification is not approved for a certain vehicle, the Buyback Program will still be available, or a class member can withdraw from the settlement. Volkswagen will be prohibited from re-selling in the U.S. or abroad any vehicle that does not receive an approved emissions modification.

Cash Payments:

Current and certain former owners and lessees will also receive cash payments **in addition to** the buyback value or approved modification. The amount is the same whether one participates in the buyback or modification program. The settlement agreement includes a formula for how this cash payment is determined. For example, most owners who purchased a 2.0-liter vehicle before September 18, 2015 will be eligible for a payment ranging from \$5,100 to approximately \$10,000 per vehicle. This cash is to be paid on top of the September 2015 Clean Trade-in value for those participating in the Buyback Program.

Class members can visit www.VWCourtSettlement.com to learn if they have an eligible vehicle. Volkswagen and Audi 3.0-liter vehicles are not covered in this settlement, as those discussions are currently on a separate track. Additional information can also be found on the Court's website: <http://www.cand.uscourts.gov/crb/vwmdl>.

Contact:

Plaintiffs' Committee for Volkswagen "Clean Diesel" Litigation
(202) 777-3507
VWplaintiffs@clsstrategies.com