

JOINT MEDIA RELEASE

Siskinds LLP
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FOR IMMEDIATE RELEASE

VOLKSWAGEN AND LAWYERS FOR CONSUMER CLASS ANNOUNCE SETTLEMENT IN CANADA ON 2.0L TDI DIESEL VEHICLES

- Proposed nationwide class settlement provides cash payments for approximately 105,000 2.0L TDI diesel vehicles in Canada.
- Many owners and lessees of these vehicles will also have choices that may include vehicle buyback; trade-in; emissions modification, if approved; and early lease termination.

Ajax, ON; Toronto, ON; Montréal, QC – December 19, 2016 – Volkswagen and Canadian class counsel announce they have agreed to resolve consumer claims in Canada related to the 2.0L TDI emissions matter for approximately 105,000 affected vehicles nationwide, subject to court approval. The proposed settlement provides for cash payments to eligible owners and lessees, and many of these settlement class members will also have choices that may include vehicle buybacks, trade-in, emissions modification (if approved by regulators) and early lease termination. The total value of the benefits is up to CAD \$2.1 billion.

This result was reached by Volkswagen and Canadian class counsel in consultation with the Commissioner of Competition in Canada. Volkswagen Group Canada also has agreed with the Commissioner to resolve related civil consumer protection concerns with the agreed benefits in the proposed class settlement, as well as with a CAD \$15 million civil administrative monetary penalty.

“Volkswagen’s primary goal has always been to ensure our Canadian customers are treated fairly, and we believe that this proposed resolution achieves this aim,” said Volkswagen Group Canada President and Chief Executive Officer, Maria Stenstroem. “We are working hard to earn back the trust of our customers, dealers and regulators, and today is an important step in that effort. We appreciate the engagement of the other parties to these agreements and thank our Canadian customers for their continued patience.”

Harvey T. Strosberg QC, one of the two lead class counsel in the national class action certified in Ontario said: “Our team of lawyers is delighted to deliver to the Settlement Class Members a just settlement, valued at up to \$2.1 billion, without legal costs to them.”

Charles M. Wright, the other lead class counsel in the national class action certified in Ontario said: “Our clients were clearly looking for finality and choices, and we hope that through this agreement we have provided both.”

Sylvie De Bellefeuille, Legal Advisor at Option consommateurs, Representative Plaintiff for the Québec Settlement Class Members, said: “We are very pleased with this outcome. This is a great settlement for all Canadian consumers. Option consommateurs is proud to play a leadership role in large-scale class actions and consumer-related issues of national scope. We thank Belleau Lapointe, our lawyers in this class action, who have done an exceptional job for the benefit of all Canadian Settlement Class Members.”

Proposed 2.0L TDI Settlement Program in Canada

The proposed nationwide class settlement is subject to approval by two courts. Approval hearings will take place around the end of March 2017 before the Ontario Superior Court of Justice in Toronto and the Superior Court of Québec in Montréal.

If approved, the 2.0L TDI settlement program in Canada will include:

- Cash payments to eligible owners and lessees of approximately 105,000 affected vehicles nationwide.
- Many of these eligible settlement class members can also choose to sell their vehicle to Volkswagen (the buyback option) or terminate their lease without penalty, or, if an emissions modification is approved, choose to keep their vehicle and have it modified at no charge and receive an extended emissions warranty.
- An eligible vehicle’s value for a buyback will be determined based on the Canadian Black Book[®] Inc. wholesale value as of September 18, 2015, with adjustments for factory options and mileage at the time of the buyback offer.
- Eligible owners can also choose to trade in their vehicle and apply its fair market value at that time towards the purchase of a new or used Volkswagen or Audi vehicle. In addition, they will receive payment of any amount by which their vehicle’s wholesale value as of September 18, 2015 exceeds its fair market value at the time of the trade-in.

The proposed settlement agreement and Court-approved notices summarizing its terms can be found at www.VWCanadaSettlement.ca. Starting on or around January 4, 2017, the Court-approved notices will be published in newspapers and online media and sent to settlement class members.

Settlement class members may begin to take steps to determine their eligibility for benefits by visiting the Check My Eligibility and Vehicle Look-Up sections at www.VWCanadaSettlement.ca, or by calling 1-888-670-4773 for assistance with these steps. Settlement class members will

need their vehicle identification number. Instructions on where to find this information are available online.

Eligible settlement class members who wish to make a claim for benefits under the settlement do not need to take any action at this time. The period to submit a claim will not begin until after the proposed settlement receives approval by the Courts.

More detailed information about the options settlement class members may have, including the choice to “opt out” of or “object” to the settlement by March 4, 2017, is available at www.VWCanadaSettlement.ca.

Notes to Editors:

The following 2.0L TDI engine vehicles are included in the proposed 2.0L TDI settlement program in Canada:

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

Class settlement benefits of up to CAD \$2.1 billion assumes that 100% of eligible settlement class members participate in the settlement program, and that 100% of the participants eligible for the buyback option choose that option.

Amounts for legal fees and expenses of class counsel that are approved by the Courts will be paid by Volkswagen and will not reduce the benefits to eligible settlement class members.

The agreements described here do not apply to owners or lessees of 3.0L TDI V6 vehicles. Proposed class actions that are under way will continue on their behalf.

The class settlement and agreement with the Commissioner of Competition are not an admission of liability by Volkswagen. By their terms, they are not intended to apply to or affect Volkswagen’s obligations under the laws or regulations of any jurisdiction outside Canada. Emission regulations and vehicle standards vary from country to country. Regulations governing nitrogen oxide (NOx) emissions limits for vehicles in Canada are stricter than those in other parts of the world and diesel engine variants also differ significantly.

About Volkswagen Group Canada Inc.:

Founded in 1952, Volkswagen Group Canada Inc. is headquartered in Ajax, Ontario, and the largest volume European automotive nameplate in Canada. It is a subsidiary of Volkswagen AG, headquartered in Wolfsburg, Germany. Volkswagen is one of the world’s largest producers of passenger cars and is Europe’s largest automaker.

About Option consommateurs:

Option consommateurs is a not-for-profit organization whose mission is to promote and defend the rights and interests of consumers. In order to do so, it institutes class action suits. Option consommateurs is interested in various issues, namely business practices, financial services, energy, agro food and health.

For further information:

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