

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.