



October 20, 2017

VIA CERTIFIED MAIL AND ELECTRONIC MAIL

Volkswagen AG Berliner Ring 2 38440 Wolfsburg, Germany Attention: Group General Counsel Attention: Company Secretary

Volkswagen Group of America, Inc. 2200 Ferdinand Porsche Dr. Herndon, VA 20171 Attention: President Attention: U.S. General Counsel Attention: Company Secretary

Dr. Ing. h.c. F. Porsche Aktiengesellschaft Porscheplatz 1, D-70435 Stuttgart Attention: GR/Rechtsabteilung/ General Counsel

Robert J. Giuffra, Jr. Sharon L. Nelles Sullivan & Cromwell LLP 125 Broad Street New York, New York 10004

Cari Dawson Alston & Bird LLP One Atlantic Center 1201 Peachtree Street Atlanta, GA 30309-3424 Audi AG Auto-Union Straße 1 85045 Ingolstadt, Germany Attention: Company Secretary

Volkswagen Group of America Chattanooga Operations, LLC 8001 Volkswagen Dr. Chattanooga, TN 37416 Attention: Company Secretary

Porsche Cars North America, Inc. 1 Porsche Dr Atlanta, GA 30354 Attention: Secretary

Granta Nakayama King & Spaulding LLP 1700 Pennsylvania Ave., N.W., Suite 200 Washington, DC 20006

Re: Approved Emissions Modifications: Generations 2.1 SUV and 2.2 SUV of the 3.0 Liter Subject Vehicles

To Whom It May Concern:

Appendix B of the 3.0 liter (3.0L) Partial Consent Decree¹ entered on May 17, 2017 establishes

¹ In Re: Volkswagen "Clean Diesel" Marketing, Sales Practices, and Products Liability Litigation, MDL No. 2672 CRB (JSC), United States District Court, Northern District of California.

In Re: Volkswagen "Clean Diesel" Marketing, Sales Practices, and Products Liability Litigation, MDL No. 2672 CRB (JSC), United States District Court, Northern District of California.

how Defendants shall submit Proposed Emissions Modifications, and how the United States Environmental Protection Agency (EPA) and the California Air Resources Board (CARB) will approve or disapprove any such proposal that Defendants choose to submit. The EPA and CARB have been working with Defendants for many months to evaluate a potential remedy to reduce the NOx pollution from these vehicles. Over these months, Defendants have provided, and the agencies have reviewed, a significant amount of files, data, and materials in support of Proposed Emissions Modifications for Test Groups DADXT03.02UG, DADXT03.03UG, DPRXT03.0CDD, EADXT03.02UG, EADXT03.03UG, EPRXT03.0CDD, and FVGAT03.0NU3 (collectively Generation 2.1 SUV), and Test Groups FVGAT03.0NU2, FPRXT03.0CDD, GVGAT03.0NU2, and GPRXT03.0CDD (collectively Generation 2.2 SUV) covering model years 2013-2016 Volkswagen Touareg, model years 2013-2015 Audi Q7, and model years 2013-2016 Porsche Cayenne diesel vehicles.

After thoroughly reviewing these materials, including examining and evaluating test data, software descriptions and files, onboard diagnostic system functionality, durability demonstration results, auxiliary emission control device (AECD) descriptions, consumer disclosures, extended warranty plans, and various statements of compliance therein; and after conducting our own extensive testing of four vehicles equipped with the Proposed Emissions Modifications; and based upon the certifications of the Defendants that the materials submitted are true, correct and complete, the EPA and CARB have determined that the Proposed Emissions Modifications as described by the entirety of Defendants' submissions satisfy the terms and conditions set forth in Appendix B of the 3.0L Partial Consent Decree. Thus, the EPA and CARB hereby approve Defendants' Proposed Emissions Modifications for Test Groups DADXT03.02UG, DADXT03.03UG, DPRXT03.0CDD, EADXT03.02UG, EADXT03.03UG, EPRXT03.0CDD, FVGAT03.0NU3, FVGAT03.0NU2, FPRXT03.0CDD, GVGAT03.0NU2, and GPRXT03.0CDD covering model years 2013-2016 Volkswagen Touareg, model years 2013-2015 Audi Q7, and model years 2013-2016 Porsche Cayenne diesel vehicles.

Defendants remain obligated to fulfill all other requirements set forth in Appendix B including, but not limited to, the Final OBD Demonstration Data, Continued Compliance, Extended Warranty, Defeat Device Prohibition, and any other applicable regulatory requirements. Any failure of terms, conditions and regulatory requirements shall be subject to stipulated penalties as specified in the Consent Decree.

Defendants shall, within ten days of the date of this approval, provide all Eligible Owners and Eligible Lessees with notice that the Emissions Modifications for Test Groups DADXT03.02UG, DADXT03.03UG, DPRXT03.0CDD, EADXT03.02UG, EADXT03.03UG, EPRXT03.0CDD, FVGAT03.0NU3, FVGAT03.0NU2, FPRXT03.0CDD, GVGAT03.0NU2, and GPRXT03.0CDD of the 3.0 Liter Subject Vehicles is available, pursuant to the terms, and in accordance with the requirements of Appendix A and Appendix B of the 3.0L Partial Consent Decree.

In Re: Volkswagen "Clean Diesel" Marketing, Sales Practices, and Products Liability Litigation, MDL No. 2672 CRB (JSC). United States District Court, Northern District of California.

Approved Emissions Modifications: Test Groups DADXT03.02UG, DADXT03.03UG, DPRXT03.0CDD, EADXT03.02UG, EADXT03.03UG, EPRXT03.0CDD, and FVGAT03.0NU3 (Generation 2.1 SUV), and Test Groups FVGAT03.0NU2, FPRXT03.0CDD, GVGAT03.0NU2, and GPRXT03.0CDD (Generation 2.2 SUV) covering model years 2013-2016 Volkswagen Touareg, model years 2013-2015 Audi Q7, and model years 2013-2016 Porsche Cayenne diesel vehicles.

FOR THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Phillip A. Brooks, Director Air Enforcement Division Office of Civil Enforcement U.S. Environmental Protection Agency

Byron Bunker, Director Compliance Division Office of Transportation and Air Quality U.S. Environmental Protection Agency In Re: Volkswagen "Clean Diesel" Marketing, Sales Practices, and Products Liability Litigation, MDL No. 2672 CRB (JSC), United States District Court, Northern District of California.

Approved Emissions Modifications: Test Groups DADXT03.02UG, DADXT03.03UG, DPRXT03.0CDD, EADXT03.02UG, EADXT03.03UG, EPRXT03.0CDD, and FVGAT03.0NU3 (Generation 2.1 SUV), and Test Groups FVGAT03.0NU2, FPRXT03.0CDD, GVGAT03.0NU2, and GPRXT03.0CDD (Generation 2.2 SUV) cove model years 2013-2016 Volkswagen Touareg, model years 2013-2015 Audi Q7, and my years 2013-2016 Porsche Cayenne diesel vehicles.

FOR THE CALIFORNIA AIR RESOURCES BOARD

Annette Hebert, Chief Emissions Compliance Automotive Regulations and Science Division California Air Resources Board

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Todd Sax, Chief Enforcement Division California Air Resources Board

In Re: Volkswagen "Clean Diesel" Marketing, Sales Practices, and Products Liability Litigation, MDL No. 2672 CRB (JSC), United States District Court, Northern District of California.

cc:

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