

SETTLEMENT AGREEMENT

This Settlement Agreement (the “Settlement Agreement” or the “Agreement”) is made and entered into as of this 28th day of January, 2022, by and between Plaintiffs Michael Zhao, Dean Marriott and Mary Kay Peck (“Plaintiffs”), individually and as representatives of the Settlement Class defined below, and Volkswagen Group of America, Inc. (“VWGoA” or “Defendant”) (collectively, the “Parties”).

RECITALS

WHEREAS, on May 14, 2021, Plaintiffs filed a putative class action against VWGoA, Volkswagen AG and Audi AG entitled *Michael Zhao, et al. v. Volkswagen Group of America, Inc., et al.*, Civil Action No. 2:21-cv-11251-MCA-MF, in the United States District Court for the District of New Jersey (hereinafter, the “Action”), alleging, *inter alia*, various claims relating to an alleged defect in the Primary Engine Water Pump of the Settlement Class Vehicles;

WHEREAS, service of process was effectuated upon Defendant VWGoA, but not upon Defendants Volkswagen AG or Audi AG;

WHEREAS, Defendant denies Plaintiffs’ allegations and claims, and maintains, *inter alia*, that the Settlement Class Vehicles’ Primary Engine Water Pumps are not defective, that no applicable warranties (express or implied) have been breached, that no common law duties or applicable statutes, laws, rules or regulations have been violated, that the Settlement Class Vehicles have been properly designed, tested, manufactured, distributed, marketed, advertised, warranted and sold, and that the Plaintiffs’ allegations and claims lack merit and are not suitable for class treatment if the Action proceeded through litigation and trial;

WHEREAS, counsel for the Parties engaged in a full-day mediation session on November 3, 2021, with the assistance of Bradley A. Winters of JAMS;

WHEREAS, the Parties, after investigation and careful analysis of their respective claims and defenses, and with full understanding of the potential risks, benefits, expense and uncertainty of continued litigation, desire to compromise and settle all issues and claims that were or could have been brought in the Action by or on behalf of Plaintiffs and members of the Settlement Class;

WHEREAS, the Parties agree that neither this Settlement Agreement, nor the underlying Settlement itself, shall constitute evidence of, or be construed as, any admission of liability, damages, or wrongdoing on the part of Defendant or any Released Party, which are expressly denied by Defendant.

WHEREAS, this Settlement Agreement is the result of vigorous arm's length negotiations of disputed claims between the Parties, and is fair, reasonable, and adequate;

NOW, THEREFORE, in consideration of the mutual promises and agreements set forth below, the Parties hereby agree as follows:

I. DEFINITIONS

A. "Action" or "Lawsuit"

"Action" or "Lawsuit" refers to the litigation captioned *Zhao, et al. v. Volkswagen Group of America, Inc., et al.*, No. 2:21-cv-11251-MCA-MF (D.N.J.).

B. "Agreement," "Settlement," or "Settlement Agreement"

"Agreement," "Settlement," or "Settlement Agreement" means this Settlement Agreement including all terms, provisions and conditions embodied herein and all attached Exhibits (which are an integral part of, and incorporated by reference in, this Settlement Agreement).

C. “Claim Administrator”

The "Claim Administrator" shall mean Rust Consulting, Inc., P.O. Box 44, Minneapolis, MN 55440-0044.

D. “Claim” or “Claim for Reimbursement”

“Claim” or “Claim for Reimbursement” means the timely and proper submission of the required fully completed, signed and dated Claim Form, together with all required Proof of Repair Expense documents (as defined in Section I.T. of this Agreement) and Proof of Adherence to the Vehicle’s Maintenance Schedule (as defined in Section I.S. of this Agreement), in which a Settlement Class Member seeks to claim reimbursement for certain paid and unreimbursed out-of-pocket expenses pursuant to the terms, conditions and limitations set forth in Sections II.B., II.C., and III of this Settlement Agreement.

E. “Claim Form”

“Claim Form” means the form that must be fully completed, signed, dated and timely submitted to the Claim Administrator, together with all required Proof of Repair Expense and Proof of Adherence to the Vehicle’s Maintenance Schedule documentation, in order to make a Claim for Reimbursement under the terms of this Settlement Agreement, which Claim Form will be substantially in the form attached hereto as Exhibit 1.

F. “Claim Period”

“Claim Period” means the period of time within which a Claim for Reimbursement under this Settlement must be mailed (postmarked) to the Claim Administrator, which period shall expire ninety (90) days after the Notice Date.

G. “Class Counsel” or “Plaintiffs’ Counsel”

“Class Counsel” or “Plaintiffs’ Counsel” shall mean Matthew Schelkopf and Joseph Kenney of Sauder Schelkopf LLC and Bonner Walsh of Walsh PLLC.

H. “Class Notice”

“Class Notice” means the Class Notice which will be substantially in the form attached hereto as Exhibit 2.

I. “Class Notice Plan”

“Class Notice Plan” means the plan for disseminating class notice to the Settlement Class as set forth in Section V of this Settlement Agreement and includes any further notice provisions that may be agreed upon by the Parties.

J. “Court”

“Court” means the United States District Court for the District of New Jersey located in Newark, New Jersey.

K. “Defense Counsel”

“Defense Counsel” means Michael B. Gallub, Esq. and Brian T. Carr, Esq. of Herzfeld & Rubin, P.C.

L. “Effective Date”

“Effective Date” means the third business day after: (1) the Court enters a Final Order and Judgment approving the Settlement Agreement, substantially in the form agreed upon by counsel for the Parties, and (2) all appellate rights with respect to said Final Order and Judgment, other than those related solely to any award of attorneys’ fees, costs or incentive payments, have expired or been exhausted in such a manner as to affirm the Final Order and Judgment.

M. “Fee and Expense Application”

“Fee and Expense Application” means Class Counsel’s application for an award of reasonable attorneys’ fees, costs, and expenses (“Class Counsel Fees and Expenses”), and for Class Representative service awards.

N. “Final Fairness Hearing”

“Final Fairness Hearing” means the hearing at or after which the Court will determine whether to grant final approval of the Settlement as fair, reasonable, and adequate under Fed. R. Civ. P. 23(e).

O. “Final Order and Judgment”

“Final Order and Judgment” means the Final Order and Judgment granting final approval of the Settlement Agreement and dismissing the Action with prejudice as to Defendants, the form of which will be agreed by the Parties and submitted to the Court prior to the Final Fairness Hearing.

P. “In-Service Date”

“In-Service Date” means the date on which a Settlement Class Vehicle was first delivered to either the original purchaser or the original lessee; or if the vehicle was first placed in service as a “demonstrator” or “company” car, on the date such vehicle was first placed in service.

Q. “Notice Date”

“Notice Date” means the Court-ordered date by which the Claim Administrator shall mail notice of this Settlement to the Settlement Class. The Notice Date shall be within or up to one-hundred (100) days after the Court enters a Preliminary Approval Order, substantially in the form attached hereto as Exhibit 3.

R. “Primary Engine Water Pump”

“Primary Engine Water Pump” means the primary coolant module including the engine water (coolant) pump and the controller unit.

S. “Proof of Adherence to the Vehicle’s Maintenance Schedule”

“Proof of Adherence to the Vehicle’s Maintenance Schedule” shall mean documents or records evidencing the Settlement Class Member’s adherence to those aspects of the Settlement

Class Vehicle's maintenance schedule set forth in the Warranty and Maintenance Booklet that are directly relevant to the coolant system, including use of the specification of coolant fluid recommended by VW [for the VW Settlement Class Vehicles] and Audi [for the Audi Settlement Class Vehicles], during the time he/she/it owned and/or leased the vehicle up to the date/mileage of repair or replacement, within a variance of ten percent (10%) of each scheduled time/mileage interval. If, however, the Settlement Class Member is unable to obtain said documents or records despite a good faith effort to obtain them, the Settlement Class Member may submit a Declaration, signed under penalty of perjury, detailing: (i) the good faith efforts that were made to obtain the records including the person(s) with whom he/she/it communicated in an effort to obtain the records, when and in what manner that occurred, and why the records are not available, and (ii) attesting to adherence to the vehicle maintenance schedule relevant to the coolant system during the time he/she/it owned or leased the vehicle, up to the date/mileage of replacement/repair, within the ten percent (10%) variance set forth above.

T. "Proof of Repair Expense"

"Proof of Repair Expense" shall mean: (1) an original or legible copy of a repair invoice or record for the repair covered under the Settlement containing claimant's name, the make, model and vehicle identification number ("VIN") of the Settlement Class Vehicle, the name and address of the authorized Audi or VW dealer or non-dealer service center that performed the repair, the date of repair, the Settlement Class Vehicle's mileage at the time of repair, a description of the repair work performed including the parts repaired/replaced and a breakdown of parts and labor costs, and the amount charged (parts and labor) for the repair (2) proof of the Settlement Class Member's payment for the repair; and (3) proof of the Settlement Class Member's ownership or lease of the Settlement Class Vehicle at the time of the repair covered under the Settlement. If reimbursement is sought for a damaged or failed engine directly caused

by a failure of the Primary Engine Water Pump under the terms of this Settlement, the Proof of Repair Expense must also show that the engine damage or failure that required repair/replacement was directly caused by a failure of the Primary Engine Water Pump.

U. “Released Claims” or “Settled Claims”

“Released Claims” or “Settled Claims” means any and all claims, causes of action, demands, debts, suits, liabilities, obligations, damages, entitlements, losses, actions, rights of action and remedies of any kind, nature and description, whether known or unknown, asserted or unasserted, foreseen or unforeseen, regardless of any legal or equitable theory, existing now or arising in the future, by Plaintiffs and any and all Settlement Class Members (including their successors, heirs, executors, administrators, assigns and representatives) which in any way arise from or relate to the Primary Engine Water Pump in the Settlement Class Vehicles, including, but not limited to, all claims that were or could have been asserted in the Action arising from or relating to the Primary Engine Water Pumps, and all claims, causes of action, demands, debts, suits, liabilities, obligations, damages, entitlements, losses, actions, rights of action and remedies of any kind, nature and description arising under any state, federal or local statute, law, rule, regulation, and/or common law, and also including any consumer protection, consumer fraud, unfair business practices or deceptive trade practices statutes or laws, any common law causes of action or theories of liability or recovery, and any legal or equitable theories whatsoever including tort, contract, products and/or strict liability, negligence, fraud, misrepresentation, concealment, consumer protection, restitution, quasi-contract, unjust enrichment, express warranty, implied warranty, the Magnuson-Moss Warranty Act, the California Song-Beverly Consumer Warranty Act, California Consumers Legal Remedies Act, California Unfair Competition Law and False Advertising Law, the Florida Deceptive and Unfair Trade Practices Act, the Massachusetts Consumer Protection Act, the Uniform Commercial Code and any

federal, state or local derivations thereof, all states' Lemon Laws, secret warranty laws and/or any other statutory or common law theories of liability and/or recovery, whether in law or in equity, and whether known or unknown, and for any and all injuries, losses, damages, remedies, recoveries or entitlements of any kind, nature and description, in law or in equity, under statutory and/or common law, and including, but not limited to, compensatory damages, economic losses or damages, exemplary damages, punitive damages, statutory damages, statutory penalties or rights, restitution, unjust enrichment, injunctive relief, and any other legal or equitable relief. This release expressly exempts claims for personal injuries and property damage (other than damage to the Settlement Class Vehicle related to the Primary Engine Water Pump).

V. "Released Parties"

"Released Parties" shall mean Volkswagen Group of America, Inc., Audi AG, Volkswagen AG, Volkswagen Credit, Inc., Audi of America LLC, Audi of America, Inc., Volkswagen de México S.A. de C.V., Volkswagen Group of America Chattanooga Operations, LLC, all designers, manufacturers, assemblers, distributors, importers, retailers, marketers, advertisers, testers, inspectors, sellers, suppliers, component suppliers, lessors, warrantors, dealers, repairers and servicers of the Settlement Class Vehicles and each of their component parts and systems, all of their past and present directors, officers, shareholders, principals, partners, employees, agents, servants, assigns and representatives, and all of the aforementioned persons' and entities' attorneys, insurers, trustees, vendors, contractors, heirs, executors, administrators, successors, successor companies, parent companies, subsidiary companies, affiliated companies, divisions, trustees and representatives.

W. “Settlement Class” or “Settlement Class Members”

“Settlement Class” or “Settlement Class Members” refers to: “All persons and entities who purchased or leased a Settlement Class Vehicle, as defined in Section I.V. of this Agreement, in the United States of America and Puerto Rico.”

Excluded from the Settlement Class are: (a) all Judges who have presided over the Actions and their spouses; (b) all current employees, officers, directors, agents and representatives of Defendants, and their family members; (c) any affiliate, parent or subsidiary of Defendants and any entity in which Defendants have a controlling interest; (d) anyone acting as a used car dealer; (e) anyone who purchased a Settlement Class Vehicle for the purpose of commercial resale; (f) anyone who purchased a Settlement Class Vehicle with salvaged title and/or any insurance company that acquired a Settlement Class Vehicle as a result of a total loss; (g) any insurer of a Settlement Class Vehicle; (h) issuers of extended vehicle warranties and service contracts; (i) any Settlement Class Member who, prior to the date of this Agreement, settled with and released Defendants or any Released Parties from any Released Claims, and (j) any Settlement Class Member who files a timely and proper Request for Exclusion from the Settlement Class.

X. “Settlement Class Vehicles”

Settlement Class Vehicles means the specific model year 2014 through 2021 Volkswagen and Audi vehicles that are designated individually by Vehicle Identification Number (VIN) in Exhibit 4 to this Settlement Agreement, which were imported and distributed by Defendant Volkswagen Group of America, Inc. for sale or lease in the United States and Puerto Rico.

II. SETTLEMENT CONSIDERATION

In consideration for the full and complete Release of all Released Claims against all Released Parties, and the dismissal of the Action with prejudice, Defendant agrees to provide the following consideration to the Settlement Class:

A. Warranty Extension for Current Owners or Lessees of Settlement Class Vehicles

Effective on the Notice Date, VWGoA will extend its New Vehicle Limited Warranties (“NVLW”) applicable to the Settlement Class Vehicles to cover one (1) repair or replacement of a failed Primary Engine Water Pump, by an authorized Volkswagen (“VW”) [if a VW brand vehicle] or Audi [if an Audi brand vehicle] dealer, during a period of up to eight (8) years or eighty thousand (80,000) miles (whichever occurs first) from the In-Service Date of the Settlement Class Vehicle, provided that the Settlement Class member submits, to the dealer, Proof of Adherence to the Vehicle’s Maintenance Schedule, required by Section I.S. above (hereinafter, the “Extended Warranty”). The Extended Warranty will include the Primary Engine Water Pump and all parts and labor necessary to effectuate that repair.

The Extended Warranty will also include coverage for a percentage of the cost of repair or replacement (parts and labor), by an authorized VW or Audi dealer (as applicable to the vehicle brand), of a damaged engine of a Settlement Class Vehicle that is directly caused by the failure of the vehicle’s Primary Engine Water Pump, during the aforesaid Extended Warranty period of eight (8) years or eighty thousand (80,000) miles (whichever occurs first) from the vehicle’s In-Service Date, in accordance with the following percentage limits of coverage, set forth in the chart below,* which are based upon the age and mileage of the vehicle at the time of said repair or replacement:

Time from In-Service Date	Less than 50,000 miles	50,001 to 60,000 miles	60,001-70,000 miles	70,001-80,000 miles
4 years or less	100%	80%	60%	55%
4-5 years	80%	60%	50%	40%
5-6 years	60%	50%	40%	25%
6-7 years	50%	35%	25%	10%
7-8 years	30%	20%	10%	5%

* The percentages of coverage in the chart are subject to the following two exceptions:

(i) For any Settlement Class Vehicle for which the original NVLW time and mileage period has not expired at the time of the said engine damage repair, the percentage of coverage shall be 100%, and

(ii) For any Settlement Class Vehicle for which the original NVLW time and mileage period is 6 years or 72,000 miles (whichever occurs first) from the In-Service Date, the percentage of coverage shall be 100% for a said engine damage repair occurring within that NVLW period, and 40% for a said engine damage repair that occurred after that NVLW period expired and up to 8 years or 80,000 miles (whichever occurs first) from the In-Service Date.

The Extended Warranty coverage for a percentage of the cost of repair of said engine damage directly caused by a Primary Engine Water Pump failure is subject to the same requirement, stated above, that the Settlement Class member submit the required Proof of Adherence to the Vehicle's Maintenance Schedule to the VW or Audi dealer.

The Extended Warranty is subject to the same terms and conditions set forth in the Settlement Class Vehicle's New Vehicle Limited Warranty and Warranty Information Booklet.

Damages resulting from abuse, alteration or modification, a collision or crash, vandalism and/or other impact, or improper maintenance shall be excluded and not covered by the Extended Warranty.

The warranty, as extended, is fully transferable to subsequent owners to the extent that the time or mileage limitation of the Extended Warranty has not expired.

B. Reimbursement of Certain Out-of-Pocket Expenses Paid for a Repair of the Primary Engine Water Pump Prior to the Notice Date and Within 8 Years or 80,000 Miles (Whichever Occurs First) from the Vehicle's In-Service Date

1. Reimbursement:

If a Settlement Class Member paid (and was not otherwise reimbursed) for a repair or replacement of the Primary Engine Water Pump of a Settlement Class Vehicle prior to the Notice Date and within eight (8) years or eighty thousand (80,000) miles (whichever occurred first) from said vehicle's In-Service Date, he/she/it may submit a Claim to receive a one-hundred percent (100%) reimbursement of the paid invoice amount for the repair or replacement (parts and labor), limited to one (1) repair or replacement per Settlement Class Vehicle. However, if said repair or replacement of the Primary Engine Water Pump was performed by a service center or facility that is not an authorized VW or Audi dealer, then the paid invoice amount of the repair (parts and labor), from which the Settlement Class Member may receive reimbursement, shall be limited to a maximum of \$1,150.00.

2. Limitations:

a. Any reimbursement under this Section shall be reduced by goodwill or other concession paid by an authorized Audi or VW dealer, any other entity (including insurers and providers of extended warranties or service contracts), or from any other source. If the Settlement Class Member received a free replacement or repair, or was otherwise reimbursed the full amount for the repair, they will not be entitled to any reimbursement.

b. Defendants shall not be responsible for, and shall not warrant, repair/replacement work performed at any service center or facility that is not an authorized VW or Audi dealer.

3. Required Proof:

In order to obtain the benefits provided for in this Section, the Settlement Class Member must timely provide, together with a fully completed, signed and dated Claim Form, Proof of Repair Expense and Proof of Adherence to the Vehicle's Maintenance Schedule.

C. Reimbursement for Percentage of Certain Out-of-Pocket Expenses Paid for Repair of Engine Damage Directly Caused by a Primary Engine Water Pump Failure Prior to the Notice Date and Within 8 years or 80,000 miles (Whichever Occurs First) from the Vehicle's In-Service Date

1. Reimbursement:

If, prior to the Notice Date and within eight (8) years or eighty thousand (80,000) miles (whichever occurred first) from the Settlement Class Vehicle's In-Service Date, a Settlement Class Member paid (and was not otherwise reimbursed) for a repair of engine damage that was directly caused by a failure of a Settlement Class Vehicle's Primary Engine Water Pump, he/she/it may submit a Claim to receive a percentage of reimbursement of the paid invoice amount for the repair (parts and labor), limited to one (1) repair per Settlement Class Vehicle, in accordance with the following percentage limits of coverage, set forth in the chart below,* which are based upon the age and mileage of the vehicle at the time of said repair or replacement:

Time from In-Service Date	Less than 50,000 miles	50,001 to 60,000 miles	60,001-70,000 miles	70,001-80,000 miles
4 years or less	100%	80%	60%	55%
4-5 years	80%	60%	50%	40%
5-6 years	60%	50%	40%	25%
6-7 years	50%	35%	25%	10%
7-8 years	30%	20%	10%	5%

* The percentages of coverage in the chart are subject to the following two exceptions:

(i) For any Settlement Class Vehicle for which the original NVLW time and mileage period has not expired at the time of the said engine damage repair, the percentage of coverage shall be 100%, and

(ii) For any Settlement Class Vehicle for which the original NVLW time and mileage period is 6 years or 72,000 miles (whichever occurs first) from the In-Service Date, the percentage of coverage shall be 100% for a said engine damage repair occurring within that NVLW period, and 40% for a said engine damage repair that occurred after that NVLW period expired and up to 8 years or 80,000 miles (whichever occurs first) from the In-Service Date.

However, if the Settlement Class Vehicle's engine was repaired or replaced by a service center or facility that is not an authorized VW or Audi dealer, the maximum invoice amount, to which the applicable sliding scale percentage of coverage above will be applied, shall be \$4,500.00. Thus, for example, if the invoice amount for the engine repair or replacement exceeds \$4,500, the applicable sliding scale percentage will be applied to \$4,500.

2. Limitations:

a. Any reimbursement under this Section shall be reduced by goodwill or other concession paid by an authorized Audi or VW dealer, any other entity (including insurers and providers of extended warranties or service contracts), or from any other source. If the Settlement Class Member received a free replacement or repair, or was otherwise reimbursed the full amount of the repair, they will not be entitled to any reimbursement.

b. Defendants shall not be responsible for, and shall not warrant, repair/replacement work performed at any service center or facility that is not an authorized VW or Audi dealer.

3. Required Proof:

In order to obtain the benefits provided for in this section, the Settlement Class Member must timely provide, together with a fully completed, signed and dated Claim Form, Proof of Repair Expense and Proof of Adherence to the Vehicle's Maintenance Schedule.

III. REQUIREMENTS FOR SUBMISSION OF A CLAIM FOR REIMBURSEMENT UNDER SECTIONS II.B. AND II.C. OF THIS AGREEMENT:

A. The Claim must be mailed to the Claim Administrator, post-marked no later than ninety (90) days after the Notice Date;

B. The Claim, as timely mailed, must contain a fully completed, signed and dated Claim Form, together with all required Proof of Repair Expense and Proof of Adherence to the Vehicle's Maintenance Schedule documentation;

C. If the claimant is not a person to whom the Claim Form was addressed, and/or the vehicle with respect to which a Claim is made is not the vehicle identified by VIN number on the mailed Claim Form, the Claim must contain proof that the claimant is a Settlement Class Member and that the vehicle that is the subject of the Claim is a Settlement Class Vehicle; and

D. The Claim Form and supporting documentation must demonstrate the Settlement Class Member's right to reimbursement, for the amount requested, under the terms and conditions of this Settlement Agreement.

IV. CLAIMS ADMINISTRATION

A. Costs of Administration and Notice

Defendant shall be responsible for the costs of class notice and settlement administration. The Parties retain the right to audit and review the Claims handling by the Claim Administrator, and the Claim Administrator shall report to both parties jointly.

B. Claim Administration

1. Only timely Claims that are complete and which satisfy the Settlement criteria for reimbursement can be approved for payment. For each approved reimbursement claim, the Claim Administrator, on behalf of Defendant, shall mail to the Settlement Class Member, at the address listed on the Claim Form, a reimbursement check to be sent within one-hundred (100) days of the date of receipt of the Claim, or within one-hundred (100) days of the Effective Date, whichever is later. Checks shall remain valid for 180 days. The Settlement Class Member may make one (1) request for reissuance of an expired un-negotiated check from the Claims Administrator within 225 days of its original issuance.

2. The Claim Administrator's denial of any Claim in whole or in part shall be binding and non-appealable, except that Class Counsel and Defendant's counsel may confer and attempt to resolve in good faith any disputed denial by the Claim Administrator.

3. If the Claims Administrator initially determines that the Claim Form is incomplete, deficient or otherwise not fully completed, signed and/or dated, and/or that supporting documentation is missing, deficient, or otherwise incomplete, then the Claim Administrator will send the Settlement Class Member a letter or notice by regular mail advising of the deficiency(ies) in the Claim Form and/or the documentation. The Settlement Class Member will then have thirty (30) days after the date of said letter/notice to mail a response to

the Claim Administrator, curing all said deficiencies and supplying all missing information and documentation, or the claim will be denied.

4. If the Claim is denied in whole or in part, either for not meeting the Settlement criteria for reimbursement, or for failure to timely cure any deficiencies or missing or incomplete information/documentation, the Claim Administrator will so notify the Settlement Class Member by sending a letter or notice of the denial by regular mail. Any Settlement Class Member whose claim is denied shall have fifteen (15) days from the date of the Claim Administrator's letter/notice of denial to request an "attorney review" of the denial, after which time Class Counsel and Defense Counsel shall meet and confer and determine whether said denial, based upon the Claim Form and documentation previously submitted, was correct under the terms of the Settlement, whether the denial should be modified, and/or whether any disputed issues can amicably be resolved. The Claim Administrator will thereafter advise the Settlement Class Member of the attorney review determination, which shall be binding and not appealable.

V. NOTICE

A. To Attorneys General: In compliance with the Attorney General notification provision of the Class Action Fairness Act, 28 U.S.C. § 1715, the Claim Administrator shall provide notice of this proposed Settlement to the Attorney General of the United States, and the Attorneys General of each state in which a known Settlement Class Member resides. The Claim Administrator shall also provide contemporaneous notice to the Parties.

B. To Settlement Class: The Claim Administrator shall be responsible for the following Settlement Class Notice Plan:

1. On an agreed upon date with the Claim Administrator, but in no event more than one-hundred (100) days after entry of the Preliminary Approval Order, the Claim

Administrator shall cause individual Class Notice, substantially in the form attached hereto as Exhibit 2, together with the Claim Form, substantially in the form attached hereto as Exhibit 1, to be mailed, by first class mail, to the current or last known addresses of all reasonably identifiable Settlement Class Members. Defendant may format the Class Notice in such a way as to minimize the cost of the mailing, so long as Settlement Class Members can reasonably read it and Class Counsel approves all changes and formatting. The Claim Administrator shall be responsible for dissemination of the Class Notice.

2. For purposes of identifying Settlement Class Members, the Claim Administrator shall obtain from Polk/IHS Markit or an equivalent company (such as Experian) the names and current or last known addresses of Settlement Class Vehicle owners and lessees that can reasonably be obtained, based upon the VINs of Settlement Class Vehicles to be provided by Defendant.

3. Prior to mailing the Class Notice, the Claim Administrator shall conduct an address search through the United States Postal Service's National Change of Address database to update the address information for Settlement Class Vehicle owners and lessees. For each individual Class Notice that is returned as undeliverable, the Claim Administrator shall re-mail all Class Notices where a forwarding address has been provided. For the remaining undeliverable notice packets where no forwarding address is provided, the Claim Administrator shall perform an advanced address search (e.g., a skip trace) and re-mail any undeliverable to the extent any new and current addresses are located.

4. The Claim Administrator shall diligently, and/or as reasonably requested by Class Counsel or Defendant's counsel, report to Class Counsel and Defendant's counsel the number of individual Class Notices originally mailed to Settlement Class Members, the number

of individual Class Notices initially returned as undeliverable, the number of additional individual Class Notices mailed after receipt of a forwarding address, and the number of those additional individual Class Notices returned as undeliverable.

5. The Claim Administrator shall, upon request, provide Class Counsel and Defendant's counsel with the names and addresses of all Settlement Class Members to whom the Claim Administrator sent a Class Notice pursuant to this section.

6. The Claim Administrator shall implement a Settlement website that contains the following information:

- (i) instructions on how to submit a Claim for reimbursement by mail;
- (ii) instructions on how to contact the Claim Administrator, Class Counsel and Defendant's Counsel for assistance;
- (iii) a portal for Settlement Class Members to insert the VIN number of their vehicle to confirm that it is a Settlement Class Vehicle;
- (iv) a copy of the Claim Form, Class Notice and this Settlement Agreement, the Preliminary Approval Order, the motion for Final Approval, the Class Counsel Fee and Expenses Application, and other pertinent orders and documents to be agreed upon by counsel for the Parties; and
- (v) the deadlines for any objections, requests for exclusion and mailing of claims, the date, time and location of the final fairness hearing, and any other relevant information agreed upon by counsel for the Parties.

7. No later than ten (10) days after the Notice Date, the Claim Administrator shall provide an affidavit to Class Counsel and Defendant's counsel, attesting that the Class Notice was disseminated in a manner consistent with the terms of this Agreement or those required by the Court.

8. Notification to Authorized VW and Audi dealers: Prior to the Notice Date, Defendant will advise its authorized VW and Audi dealers of the Settlement's Extended Warranty, so that the Extended Warranty may be implemented in accordance with the terms and

conditions of this Settlement Agreement. Defense Counsel will confirm with Class Counsel that Defendant has notified its dealers of the Settlement's Extended Warranty.

VI. RESPONSE TO NOTICE

A. Objection to Settlement

Any Settlement Class Member who intends to object to the fairness of this Settlement Agreement and/or to Class Counsel's Fee and Expense Application must, by the date specified in the Preliminary Approval Order, which date shall be approximately forty-five (45) days after the Notice Date, either (i) file any such objection with the Court either in person at the Clerk's Office of the United States District Court, District of New Jersey located at 4015 Martin Luther King Jr. Federal Building and United States Courthouse, 50 Walnut Street, Newark, New Jersey 07102 or (ii) via the Court's electronic filing system, or (iii) if not filed in person or via the Court's electronic system, mail the objection to the Court at 4015 Martin Luther King Jr. Federal Building and United States Courthouse, 50 Walnut Street, Newark, New Jersey 07102 and also serve by first-class mail copies of the objection upon: Matthew D. Schelkopf, Sauder Schelkopf LLC, 1109 Lancaster Avenue, Berwyn, PA 19312 on behalf of Plaintiffs and Michael B. Gallub, Herzfeld & Rubin, P.C., 125 Broad Street, New York, New York 10004 on behalf of Defendant.

1. Any objecting Settlement Class Member must include with his or her objection:
 - (a) the objector's full name, address, and telephone number,
 - (b) the model, model year and Vehicle Identification Number of the Settlement Class Vehicle, along with proof that the objector has owned or leased the Settlement Class Vehicle (i.e., a true copy of a vehicle title, registration, or license receipt);
 - (c) a written statement of all grounds for the objection accompanied by any legal support for such objection; and

(d) copies of any papers, briefs, or other documents upon which the objection is based and are pertinent to the objection;

(e) the name and address of the lawyer(s), if any, who is representing the objecting Settlement Class Member in making the objection;

(f) a statement of whether the objection Settlement Class Member intends to appear at the Final Approval Hearing, either with or without counsel, and the identity(ies) of any counsel who will appear on behalf of the Settlement Class Member objection at the Final Approval Hearing; and

(g) a list of all other objections submitted by the objector, or the objector's counsel, to any class action settlements submitted in any court in the United States in the previous five (5) years, including the full case name with jurisdiction in which it was filed and the docket number. If the Settlement Class Member or his/her/its counsel has not objected to any other class action settlement in the United States in the previous five years, he/she/it shall affirmatively so state in the objection.

2. Any Settlement Class Member who has not timely and properly filed an objection in accordance with the deadlines and requirements set forth herein shall be deemed to have waived and relinquished his/her/its right to object to any aspect of the Settlement, or any adjudication or review of the Settlement, by appeal or otherwise.

3. Subject to the approval of the Court, any timely and properly objecting Settlement Class Member may appear, in person or by counsel, at the Final Fairness Hearing to explain why the proposed Settlement should not be approved as fair, reasonable, and adequate, or to object to any motion for Class Counsel Fees and Expenses or incentive awards. In order to appear at the Final Fairness Hearing, the objecting Settlement Class Member must, no later than the objection

deadline, file with the Clerk of the Court, and serve upon all counsel designated in the Class Notice, a Notice of Intention to Appear at the Final Fairness Hearing. The Notice of Intention to Appear must include copies of any papers, exhibits, or other evidence and identity of witnesses that the objecting Settlement Class Member (or the objecting Settlement Class Member's counsel) intends to present to the Court in connection with the Final Fairness Hearing. Any Settlement Class Member who does not provide a Notice of Intention to Appear in accordance with the deadline and other specifications set forth in the Class Notice, or who has not filed an objection in accordance with the deadline and other requirements set forth in the Settlement Agreement and Class Notice, shall be deemed to have waived and relinquished any right to appear, in person or by counsel, at the Final Fairness Hearing.

B. Request for Exclusion from the Settlement

1. Any Settlement Class Member who wishes to be excluded from the Settlement Class must timely mail a request for exclusion ("Request for Exclusion") to the Claim Administrator at the address specified in the Class Notice, by the deadline set forth below and specified in the Preliminary Approval Order. To be effective, the Request for Exclusion must be sent to the specified address and:

- (a) include the Settlement Class Member's full name, address and telephone number;
- (b) identify the model, model year and VIN of the Settlement Class Vehicle; and
- (c) specifically and unambiguously state his/her/its desire to be excluded from the Settlement Class.

2. Any request for exclusion must be postmarked on or before the deadline set by the Court, which date shall be approximately forty-five (45) days after the Notice Date and mailed to

the Claims Administrator, P.O. Box 44, Minneapolis, MN 55440-0044; Matthew D. Schelkopf, Sauder Schelkopf LLC, 1109 Lancaster Avenue, Berwyn, PA 19312; and Michael B. Gallub, Herzfeld & Rubin, P.C., 125 Broad Street, New York, NY 10004. Any Settlement Class Member who fails to submit a timely and complete Request for Exclusion mailed to the proper address, shall be subject to and bound by this Settlement Agreement, the Release, and every order or judgment entered relating to this Settlement Agreement.

3. Class Counsel and Defendant's counsel will review the purported Requests for Exclusion and determine whether they meet the requirements of a valid Request for Exclusion. Any communications from Settlement Class Members (whether styled as an exclusion request, an objection or a comment) as to which it is not readily apparent whether the Settlement Class Member meant to exclude himself/herself/itself from the Settlement Class will be evaluated jointly by counsel for the Parties, who will make a good faith evaluation, if possible. Any uncertainties about whether a Settlement Class Member is requesting exclusion from the Settlement Class will be submitted to the Court for resolution. The Claim Administrator will maintain a database of all Requests for Exclusion, and will send written communications memorializing those Requests for Exclusion to Class Counsel and Defendant's counsel. The Claim Administrator shall report the names of all such persons and entities requesting exclusion, and the VINs of the Settlement Class Vehicles owned or leased by the persons and entities requesting exclusion, to the Court, Class Counsel and Defendant's Counsel at least eighteen (18) days prior to the Final Fairness Hearing, and the list of persons and entities deemed by the Court to have timely and properly excluded themselves from the Settlement Class will be attached as an exhibit to the Final Order and Judgment.

VII. WITHDRAWAL FROM SETTLEMENT

Plaintiffs or Defendant shall have the option to withdraw from this Settlement Agreement, and to render it null and void, if any of the following occurs:

1. Any objection to the proposed Settlement is sustained and such objection results in changes to this Agreement that the withdrawing party deems in good faith to be material (e.g., because it increases the costs of the Settlement, alters the Settlement, or deprives the withdrawing party of a material benefit of the Settlement; a mere delay of the approval and/or implementation of the Settlement including a delay due to an appeal procedure, if any, shall not be deemed material); or

2. The preliminary or final approval of this Settlement Agreement is not obtained without modification, and any modification required by the Court for approval is not agreed to by both parties, and the withdrawing party deems any required modification in good faith to be material (e.g., because it increases the cost of the Settlement, alters the Settlement, or deprives the withdrawing party of a benefit of the Settlement; a mere delay of the approval and/or implementation of the Settlement including a delay due to an appeal procedure, if any, shall not be deemed material); or

3. Entry of the Final Order and Judgment described in this Agreement is vacated by the Court or reversed or substantially modified by an appellate court, except that a reversal or modification of an order awarding reasonable attorneys' fees and expenses, if any, shall not be a basis for withdrawal; or

4. In addition to the above grounds, the Defendant shall have the option to withdraw from this Settlement Agreement, and to render it null and void, if more than five- percent (5%) of the persons and entities identified as being members of the Settlement Class exclude themselves from the Settlement Class.

5. To withdraw from this Settlement Agreement under this paragraph, the withdrawing Party must provide written notice to the other Party's counsel and to the Court within ten (10) business days of receipt of any order or notice of the Court modifying, adding or altering any of the material terms or conditions of this Agreement. In the event either Party withdraws from the Settlement, this Settlement Agreement shall be null and void, shall have no further force and effect with respect to any party in the Action, and shall not be offered in evidence or used in the Action or any other litigation for any purpose, including the existence, certification or maintenance of any purported class. In the event of such withdrawal, this Settlement Agreement and all negotiations, proceedings, documents prepared and statements made in connection herewith shall be inadmissible as evidence and without prejudice to the Defendant and Plaintiffs, and shall not be deemed or construed to be an admission or confession by any party of any fact, matter or proposition of law, and shall not be used in any manner for any purpose, and all parties to the Action shall stand in the same position as if this Settlement Agreement had not been negotiated, made or filed with the Court. Upon withdrawal, either party may elect to move the Court to vacate any and all orders entered pursuant to the provisions of this Settlement Agreement.

6. A change in law, or change of interpretation of present law, that affects this Settlement shall not be grounds for withdrawal from the Settlement.

VIII. ADMINISTRATIVE OBLIGATIONS

A. In connection with the administration of the Settlement, the Claim Administrator shall maintain a record of all contacts from Settlement Class Members regarding the Settlement, any claims submitted pursuant to the Settlement and any responses thereto. The Claim Administrator, on a monthly basis, shall provide to Class Counsel and Defense Counsel

summary information concerning the number of claims made, number of claims approved, the number of claims denied, the number of claims determined to be deficient, and total dollar amount of payouts on claims made, such that Class Counsel and Defendant's counsel may inspect and monitor the claims process.

B. Except as otherwise stated in this Agreement, all expenses incurred in administering this Settlement Agreement, including, without limitation, the cost of the Class Notice, and the cost of the Claim Administrator's distributing and administering the benefits of the Settlement Agreement based upon properly approved Claims, shall be paid by Defendant.

IX. SETTLEMENT APPROVAL PROCESS

A. Preliminary Approval of Settlement

Promptly after the execution of this Settlement Agreement, Class Counsel shall present this Settlement Agreement to the Court, along with a motion requesting that the Court issue a Preliminary Approval Order substantially in the form attached as Exhibit 3.

B. Final Approval of Settlement

1. If this Settlement Agreement is preliminarily approved by the Court, and pursuant to a schedule set forth in the Preliminary Approval Order or otherwise agreed by the Parties, Class Counsel shall present a motion requesting that the Court grant final approval of the Settlement and issue a Final Order and Judgment directing the entry of judgment pursuant to Fed. R. Civ. P. 54(b) substantially in a form to be agreed by the Parties.

2. The Parties agree to fully cooperate with each other to accomplish the terms of this Settlement Agreement, including but not limited to, execution of such documents and to take such other action as may reasonably be necessary to implement the terms of this Settlement Agreement. The Parties shall use their best efforts, including all efforts contemplated by this

Settlement Agreement and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Settlement Agreement and the terms set forth herein. Such best efforts shall include taking all reasonable steps to secure entry of a Final Order and Judgment, as well as supporting the Settlement and the terms of this Settlement Agreement through any appeal.

C. Plaintiffs' Application for Attorney Fees and Incentive Awards

1. After the Parties reached an agreement on the material terms of this Settlement, the Parties commenced efforts to negotiate the issue of Class Counsel Fees and Expenses and Class Representative service awards. As a result of adversarial arm's length negotiations, the Parties hereby agree that Class Counsel may apply to the Court ("Fee and Expense Application") for a combined award of reasonable attorneys' fees, costs and expenses (hereinafter, collectively, "Class Counsel Fees and Expenses") in an amount up to, but not exceeding, the total combined sum of One Million Seven Hundred Thousand Dollars and No Cents (\$1,700,000.00). Class Counsel may apply for such an award on or before twenty-one (21) days prior to the deadline in the Preliminary Approval Order for objections and/or requests for exclusion, or as otherwise directed by the Court. Defendant will not oppose a request for Class Counsel Fees and Expenses that does not exceed said total combined amount up to One Million Seven Hundred Thousand Dollars and No Cents (\$1,700,000.00), and Class Counsel shall not seek or be awarded, nor shall Class Counsel accept, any amount of Class Counsel Fees and Expenses exceeding said total combined amount. The award of reasonable Class Counsel Fees and Expenses, to the extent consistent with this Agreement, shall be paid by Defendant as set forth below, and shall not reduce or in any way affect any benefits available to the Settlement Class pursuant to this Agreement.

2. The Parties also agree that Class Counsel may also apply to the Court for a reasonable Service Award of up to, but not exceeding, Three Thousand Five Hundred Dollars and No Cents (\$3,500.00) for each of the three named Plaintiffs, Michael Zhao, Mary Kay Peck, and Dean Marriott, who are serving as putative class representatives in the Action (“Settlement Class Representatives”), to be paid by Defendant as set forth below. Defendant will not oppose Plaintiffs’ request, made as part of the Fee and Expense Application, that Defendant pay, in addition to Class Counsel Fees and Expenses, a Service Award of \$3,500 each to Plaintiffs Michael Zhao, Mary Kay Peck, and Dean Marriott.

3. The Class Counsel Fees and Expenses and Settlement Class Representative Service Awards, to the extent consistent with this Agreement, shall be paid as directed by the Court by wire transfer to Sauder Schelkopf LLC within thirty (30) days after the later of the Effective Date of the Settlement or the date of entry of the Final Order and Judgment for attorney fees, expenses, and service awards, including final termination or disposition of any appeals relating thereto. Said payment to Sauder Schelkopf LLC shall fully satisfy and discharge all obligations of Defendant and the Released Parties with respect to payment of the Class Counsel Fees and Expenses, any attorneys’ fees in connection with this Action, and Settlement Class Representative service awards, and Sauder Schelkopf shall thereafter have sole responsibility to distribute the appropriate portions of said payment to the other Class Counsel and the Settlement Class representatives.

4. The procedure for, and the grant, denial, allowance or disallowance by the Court of the Fee and Expense Application, are not part of the Settlement, and are to be considered by the Court separately from the Court’s consideration of the fairness, reasonableness and adequacy of the Settlement. Any order or proceedings relating solely to the Fee and Expense Application,

or any appeal from any order related thereto or reversal or modification thereof, will not operate to terminate or cancel this Agreement, or affect or delay the Effective Date of the Settlement if it is granted final approval by the Court. Payment of Class Counsel Fees and Expenses and the Settlement Class Representatives' service awards will not reduce the benefits to which Settlement Class Members may be eligible under the Settlement terms, and the Settlement Class Members will not be required to pay any portion of the Settlement Class Representatives' service awards or Class Counsel Fees and Expenses.

D. Release of Plaintiffs' and Settlement Class Members' Claims

1. Upon the Effective Date, the Plaintiffs and each Settlement Class Member shall be deemed to have, and by operation of the Final Order and Judgment shall have, fully, completely and forever released, acquitted and discharged the Released Parties from all Released Claims.

2. Upon the Effective Date, with respect to the Released Claims, the Plaintiffs and all Settlement Class Members expressly waive and relinquish, to the fullest extent permitted by law, the provisions, rights, and benefits of § 1542 of the California Civil Code, which provides: "A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

3. Upon the Effective Date, the Action will be deemed dismissed with prejudice.

X. MISCELLANEOUS PROVISIONS

A. Effect of Exhibits

The exhibits to this Agreement are an integral part of the Settlement and are expressly incorporated and made a part of this Agreement.

B. No Admission of Liability

Neither the fact of, nor any provision contained in this Agreement, nor any action taken hereunder, shall constitute, or be construed as, any admission of the validity of any claim or any fact alleged in the Action or of any wrongdoing, fault, violation of law or liability of any kind on the part of Defendant and the Released Parties, or any admissions by Defendant and the Released Parties of any claim or allegation made in any action or proceeding against them. The Parties understand and agree that neither this Agreement, nor the negotiations that preceded it, shall be offered or be admissible in evidence against Defendant, the Released Parties, the Plaintiffs or the Settlement Class Members, or cited or referred to in the Action or any action or proceeding, except in an action or proceeding brought to enforce the terms of this Agreement.

C. Entire Agreement

This Agreement represents the entire agreement and understanding among the Parties and supersedes all prior proposals, negotiations, agreements and understandings relating to the subject matter of this Agreement. The Parties acknowledge, stipulate and agree that no covenant, obligation, condition, representation, warranty, inducement, negotiation or understanding concerning any part or all of the subject matter of this Agreement has been made or relied on except as expressly set forth in this Agreement. No modification or waiver of any provisions of this Agreement shall in any event be effective unless the same shall be in writing and signed by the person or party against whom enforcement of the Agreement is sought.

D. Arm's-Length Negotiations and Good Faith

The Parties have negotiated all of the terms and conditions of this Agreement at arm's-length. All terms, conditions and exhibits in their exact form are material and necessary to this Agreement and have been relied upon by the Parties in entering into this Agreement.

E. Continuing Jurisdiction

The Parties agree that the Court may retain continuing and exclusive jurisdiction over them, including all Settlement Class Members, for the purpose of the administration and enforcement of this Agreement.

F. Binding Effect of Settlement Agreement

This Agreement shall be binding upon and inure to the benefit of the Parties and their representatives, attorneys, executors, administrators, heirs, successors and assigns.

G. Extensions of Time

The Parties may agree upon a reasonable extension of time for deadlines and dates reflected in this Agreement, without further notice (subject to Court approval as to Court dates).

H. Service of Notice

Whenever, under the terms of this Agreement, a person is required to provide service or written notice to Defendant's counsel or Class Counsel, such service or notice shall be directed to the individuals and addresses specified below, unless those individuals or their successors give notice to the other parties in writing, of a successor individual or address:

As to Plaintiffs: Matthew D. Schelkopf, Esq.
Sauder Schelkopf LLC
1109 Lancaster Avenue
Berwyn, PA 19312

As to Defendant: Michael B. Gallub, Esq.
Herzfeld & Rubin, P.C.
125 Broad Street
New York, NY 10004

I. Authority to Execute Settlement Agreement

Each counsel or other person executing this Agreement or any of its exhibits on behalf of any party hereto warrants that such person has the authority to do so.

J. Discovery

Defendant will participate in reasonable confirmatory discovery to be agreed by the Parties.

K. Return of Confidential Materials

All documents and information designated as “confidential” and produced or exchanged in the Action, shall be returned or destroyed after entry of the Final Order and Judgment.

L. No Assignment

The Parties represent and warrant that they have not assigned or transferred, or purported to assign or transfer, to any person or entity, any claim or any portion thereof or interest therein, including, but not limited to, any interest in the litigation or any related action.

M. No Third-Party Beneficiaries

This Agreement shall not be construed to create rights in, or to grant remedies to, or delegate any duty, obligation or undertaking established herein to any third party (other than Settlement Class Members themselves) as a beneficiary of this Agreement. However, this does not apply to, or, in any way, limit, any Released Party’s right to enforce the Release of Claims set forth in this Agreement.

N. Construction

The determination of the terms and conditions of this Agreement has been by mutual agreement of the Parties. Each Party participated jointly in the drafting of this Agreement and, therefore, the terms and conditions of this Agreement are not intended to be, and shall not be, construed against any Party by virtue of draftsmanship.

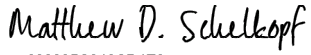
O. Captions

The captions or headings of the sections and paragraphs of this Agreement have been inserted for convenience of reference only and shall have no effect upon the construction or interpretation of any part of this Agreement.

IN WITNESS HEREOF, the Parties have caused this Agreement to be executed, by their duly authorized attorneys, as of the date(s) indicated on the lines below.

ON BEHALF OF PLAINTIFFS:

Dated: January 27, 2022

DocuSigned by:

692395C946CD4E9...

Matthew Schelkopf
Sauder Schelkopf LLC
1109 Lancaster Avenue
Berwyn, PA 19312



Bonner C. Walsh
Walsh PLLC
1561 Long Haul Road
Grangeville, ID 83530

Dated: January 26, 2022

DocuSigned by:

ADF6DF0B5A88416...

Michael Zhao

Dated: January 27, 2022


Mary Kay Peck (Jan 27, 2022 19:54 EST)

Mary Kay Peck

Dated: January 26, 2022

DocuSigned by:

094BD957D6F54A9...

Dean Marriott

ON BEHALF OF DEFENDANT:

Dated: January 28, 2022

Michael B. Gallub
Michael B. Gallub
HERZFELD & RUBIN, P.C.
125 Broad Street
New York, New York 10004

EXHIBIT 1

VOLKSWAGEN ENGINE WATER PUMP SETTLEMENT REIMBURSEMENT CLAIM FORM

TO RECEIVE REIMBURSEMENT FOR CERTAIN PAST EXPENSES:

You must complete, sign and submit this form and provide the specified records to receive reimbursement of certain past out-of-pocket expenses for one covered repair of the primary engine water pump (defined as the primary coolant module including engine water (coolant) pump and the controller unit) and/or of engine damage directly caused by a primary engine water pump failure of a Settlement Class Vehicle in *Zhao v. Volkswagen Group of America, Inc.*, No. 2:21-cv-11251 (D.N.J.).

FIVE STEPS FOR SUBMITTING A CLAIM FOR REIMBURSEMENT:

(1) Verify Your Contact Information:

If your contact information is incorrect, please correct it in the boxes provided below:

<<FIRSTMILASTNAME1>> <<ADDRESS1>> <<ADDRESS2>> <<ADDRESS3>> <<CITY>> <<ST>> <<ZIPCODE>> <<TELEPHONE NUMBER>> <<VIN>>
--

<i>First Name:</i>	<i>MI:</i>	<i>Last Name:</i>
<input style="width: 95%;" type="text"/>	<input style="width: 20px;" type="text"/>	<input style="width: 95%;" type="text"/>
<i>Address:</i>		
<input style="width: 98%;" type="text"/>		
<i>City:</i>	<i>State:</i>	<i>ZIP Code:</i>
<input style="width: 85%;" type="text"/>	<input style="width: 25px;" type="text"/>	<input style="width: 35px;" type="text"/>
<i>Telephone Number:</i>		
<input style="width: 15px;" type="text"/> <input style="width: 15px;" type="text"/> <input style="width: 15px;" type="text"/> - <input style="width: 15px;" type="text"/> <input style="width: 15px;" type="text"/> <input style="width: 15px;" type="text"/> - <input style="width: 15px;" type="text"/> <input style="width: 15px;" type="text"/> <input style="width: 15px;" type="text"/>		
<i>Vehicle ID Number (VIN):</i>		
<input style="width: 98%;" type="text"/>		
<i>Vehicle Make:</i>	<i>Vehicle Model:</i>	
<input style="width: 95%;" type="text"/>	<input style="width: 95%;" type="text"/>	

(2) Provide a Repair Order and/or Other Records (original or legible copies) for the Repair which Must Include the Following Information:

- (a) Your name and address;
- (b) The make, model and Vehicle Identification Number (VIN) of your Settlement Class Vehicle that had the repair;
- (c) The date of the repair of your Settlement Class Vehicle;
- (d) The name and address of the authorized VW dealership or non-dealer service facility that performed the Repair;

- (e) A description of the repair work performed (demonstrating that this was a repair covered under the Settlement) including the parts repaired/replaced and a breakdown of the parts and labor costs;
- (f) The vehicle’s mileage at the time of the repair; and
- (g) Proof of payment, including the amount paid, for the covered repair.

Total Dollar Amount Claimed For Repair: \$ •

(3) Provide Proof of Adherence to Vehicle Maintenance Schedule

Provide documents or records evidencing your adherence to those aspects of the Settlement Class Vehicle’s maintenance schedule set forth in the Warranty and Maintenance Booklet that are relevant to the coolant system, including use of the specification of coolant fluid recommended by VW, during the period of time that you owned and/or leased the vehicle up to the date/mileage of repair or replacement. Your adherence to these maintenance requirements can be within a variance of ten percent (10%) of each required time/mileage maintenance interval. If, however, you are unable to obtain said documents or records despite a good faith effort to obtain them, you may submit a Declaration, signed under penalty of perjury, detailing: (i) the good faith efforts that were made to obtain the records including the person(s) with whom you communicated in an effort to obtain the records, when and in what manner that occurred, and why the records are not available, and (ii) attesting to adherence to the vehicle maintenance schedule relevant to the coolant system during the time you owned or leased the vehicle, up to the date/mileage of replacement/repair, within the ten percent (10%) variance set forth above. A form Declaration is available for you on the Settlement website at www._____.com.

(4) Answer the Following Question:

For the amount of the repair cost for which you are seeking to be reimbursed, did you receive any payment, credit, coverage, concession, or reimbursement for all or any part of that amount from any other source, including from VW, any warranty, maintenance program, goodwill, coupon or reduction, or other full or partial reimbursement or refund (for example, by a VW dealership or any insurance company, under any extended warranty or service contract, or by any other source)?

Yes No

If you answered YES, list the total amount of the cost for which you received a payment, reimbursement, coverage, credit, or concession:

\$ •

(5) Sign & Date:

All the information that I (we) supplied in this Claim Form is true and correct to the best of my (our) knowledge and belief, and this document is signed under penalty of perjury.

Signature

Date:
 MM DD YYYY

(6) Mail Claim Form and all Documents/Paperwork, postmarked no later than _____, 2022, to:

Rust Consulting, Inc.
 P.O. Box 44
 Minneapolis, MN 55440-0044

For more information, please view the Class Notice, call the Claims Administrator at 1-____-____-____, or visit www._____.com

AUDI ENGINE WATER PUMP SETTLEMENT REIMBURSEMENT CLAIM FORM

TO RECEIVE REIMBURSEMENT FOR CERTAIN PAST EXPENSES:

You must complete, sign and submit this form and provide the specified records to receive reimbursement of certain past out-of-pocket expenses for one covered repair of the primary engine water pump (defined as the primary coolant module including engine water (coolant) pump and the controller unit) and/or of engine damage directly caused by a primary engine water pump failure of a Settlement Class Vehicle in *Zhao v. Volkswagen Group of America, Inc.*, No. 2:21-cv-11251 (D.N.J.).

FIVE STEPS FOR SUBMITTING A CLAIM FOR REIMBURSEMENT:

(1) Verify Your Contact Information:

If your contact information is incorrect, please correct it in the boxes provided below:

<<FIRSTMILASTNAME1>>
<<ADDRESS1>>
<<ADDRESS2>>
<<ADDRESS3>>
<<CITY>> <<ST>> <<ZIPCODE>>
<<TELEPHONE NUMBER>>
<<VIN>>

First Name:

 MI:

 Last Name:

Address:

City:

 State:

 ZIP Code:

Telephone Number:

 -

 -

Vehicle ID Number (VIN):

Vehicle Make:

 Vehicle Model:

(2) Provide a Repair Order and/or Other Records (original or legible copies) for the Repair which Must Include the Following Information:

- (a) Your name and address;
- (b) The make, model and Vehicle Identification Number (VIN) of your Settlement Class Vehicle that had the repair;
- (c) The date of the repair of your Settlement Class Vehicle;
- (d) The name and address of the authorized Audi dealership or non-dealer service facility that performed the Repair;

- (e) A description of the repair work performed (demonstrating that this was a repair covered under the Settlement) including the parts repaired/replaced and a breakdown of the parts and labor costs;
- (f) The vehicle’s mileage at the time of the repair; and
- (g) Proof of payment, including the amount paid, for the covered repair.

Total Dollar Amount Claimed For Repair:

\$ •

(3) Provide Proof of Adherence to Vehicle Maintenance Schedule

Provide documents or records evidencing your adherence to those aspects of the Settlement Class Vehicle’s maintenance schedule set forth in the Warranty and Maintenance Booklet that are relevant to the coolant system, including use of the specification of coolant fluid recommended by Audi, during the period of time that you owned and/or leased the vehicle up to the date/mileage of repair or replacement. Your adherence to these maintenance requirements can be within a variance of ten percent (10%) of each required time/mileage maintenance interval. If, however, you are unable to obtain said documents or records despite a good faith effort to obtain them, you may submit a Declaration, signed under penalty of perjury, detailing: (i) the good faith efforts that were made to obtain the records including the person(s) with whom you communicated in an effort to obtain the records, when and in what manner that occurred, and why the records are not available, and (ii) attesting to adherence to the vehicle maintenance schedule relevant to the coolant system during the time you owned or leased the vehicle, up to the date/mileage of replacement/repair, within the ten percent (10%) variance set forth above. A form Declaration is available for you on the Settlement website at www._____.com.

(4) Answer the Following Question:

For the amount of the repair cost for which you are seeking to be reimbursed, did you receive any payment, credit, coverage, concession, or reimbursement for all or any part of that amount from any other source, including from Audi, any warranty, maintenance program, goodwill, coupon or reduction, or other full or partial reimbursement or refund (for example, by an Audi dealership or any insurance company, under any extended warranty or service contract, or by any other source)?

Yes No

If you answered YES, list the total amount of the cost for which you received a payment, reimbursement, coverage, credit, or concession:

\$ •

(5) Sign & Date:

All the information that I (we) supplied in this Claim Form is true and correct to the best of my (our) knowledge and belief, and this document is signed under penalty of perjury.

Signature

Date:
MM DD YYYY

(6) Mail Claim Form and all Documents/Paperwork, postmarked no later than _____, 2022, to:

Rust Consulting, Inc.
P.O. Box 44
Minneapolis, MN 55440-0044

For more information, please view the Class Notice, call the Claims Administrator at 1-____-____-____, or visit www._____.com

EXHIBIT 2

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

A federal court authorized this notice. This is not a solicitation from a lawyer.

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEW JERSEY

If you currently or previously owned or leased a certain Volkswagen brand vehicle equipped with a 1.8L or 2.0L engine in the United States or Puerto Rico, you may be entitled to benefits afforded by a class action settlement. This notice is being mailed to you because you have been identified as owning or leasing such a vehicle.

- **This proposed class action, pending in the United States District Court for the District of New Jersey, is captioned *Michael Zhao, et al. v. Volkswagen Group of America, Inc., et al.* Civil Action No. 2:21-cv-11251 (the “Action” or “Lawsuit”). The parties have agreed to a class settlement of the Action and have asked the Court to approve the proposed Settlement. As a Settlement Class Member, you have various options that you may exercise before the Court decides whether to approve the Settlement.**
- **This Notice explains the Action, the proposed Settlement, your legal rights and options, available benefits, who is eligible for and how to obtain the benefits, and applicable dates, time deadlines and procedures.**
- **Your legal rights are affected whether you act or do not act. Read this Notice carefully.**
- **The Court in charge of this case still has to decide whether to approve the Settlement. Payments will be made only if the Court approves the Settlement and after appeals, if any, are resolved.**

BASIC INFORMATION

1. Why you received this notice, and what the Lawsuit and settlement benefits are.

According to records, you are a current or past owner or lessee of a certain specific Volkswagen 1.8L or 2.0L engine vehicle of the following models/model years, that was imported and distributed by Volkswagen Group of America, Inc. (“VWGoA”) in the United States or Puerto Rico (hereinafter, collectively, “Settlement Class Vehicles”):

- Certain MY2019-2021 Volkswagen Arteon*
- Certain MY2018-2020 Volkswagen Atlas*
- Certain MY2020-2021 Volkswagen Atlas Cross Sport*
- Certain MY2014-2018 Volkswagen Beetle*
- Certain MY 2015-2017 Volkswagen CC*
- Certain MY2015-2021 Volkswagen Golf*
- Certain MY 2014-2021 Volkswagen Jetta*
- Certain MY 2014-2021 Volkswagen Passat*
- Certain MY 2020-2021 Volkswagen Terramont*
- Certain MY2018-2021 Volkswagen Tiguan*

*Not every such model and model year vehicle is covered by this Settlement (i.e., a Settlement Class Vehicle). The specific Settlement Class Vehicles are determined by Vehicle Identification Numbers (VINs). You can look up whether your vehicle is a Settlement Class Vehicle by typing your vehicle’s VIN where indicated in the VIN Lookup Portal on the Settlement website, www._____.com.

A Settlement Class Member is defined as a current or past owner or lessee of a Settlement Class Vehicle.

Questions? Call 1-____-____-____ or visit www._____.com

The Lawsuit claims that there was a defect that caused the primary engine water pump (defined as the primary coolant module, including the engine water (coolant) pump and the controller unit) in some Settlement Class Vehicles to fail, sometimes requiring repair or replacement. VWGoA has denied the claims and maintains that the primary engine water pumps in the Settlement Class Vehicles are not defective, function properly, were properly designed, manufactured, marketed and sold, and that no applicable warranties were breached nor any applicable statutes violated. The Court has not decided in favor of either party. Instead, the Lawsuit has been resolved through a Settlement under which the benefits set forth below will be provided:

I. Warranty Extension for Current Owners or Lessees of Settlement Class Vehicles

Effective on _____, 2022 [the “Notice Date”], VWGoA will extend its New Vehicle Limited Warranties (“NVLW”) applicable to the Settlement Class Vehicles to cover one (1) repair or replacement of a failed primary engine water pump, by an authorized Volkswagen (“VW”) dealer, during a period of up to eight (8) years or eighty thousand (80,000) miles (whichever occurs first) from the In-Service Date of the Settlement Class Vehicle, provided that the Settlement Class Member submits to the dealer Proof of Adherence to the Vehicle’s Maintenance Schedule, described below (hereinafter, the “Extended Warranty”). The Extended Warranty will cover the primary engine water pump and all parts and labor necessary to effectuate that repair.

The Extended Warranty will also include coverage for a percentage of the cost of repair or replacement (parts and labor) by an authorized VW dealer of a damaged engine of a Settlement Class Vehicle that is directly caused by the failure of the vehicle’s primary engine water pump, during the aforesaid Extended Warranty period of eight (8) years or eighty thousand (80,000) miles (whichever occurs first) from the vehicle’s In-Service Date, in accordance with the following percentage limits of coverage, set forth in the chart below,* which are based upon the age and mileage of the vehicle at the time of said repair or replacement:

Time from In-Service Date	Less than 50,000 miles	50,001 to 60,000 miles	60,001-70,000 miles	70,001-80,000 miles
4 years or less	100%	80%	60%	55%
4-5 years	80%	60%	50%	40%
5-6 years	60%	50%	40%	25%
6-7 years	50%	35%	25%	10%
7-8 years	30%	20%	10%	5%

*The percentages of coverage in the chart above are subject to the following two exceptions:

- (i) For any Settlement Class Vehicle for which the original NVLW time and mileage period has not expired at the time of the said engine damage repair, the percentage of coverage shall be 100%, and
- (ii) For any Settlement Class Vehicle for which the original NVLW time and mileage period is 6 years or 72,000 miles (whichever occurs first) from the In-Service Date, the percentage of coverage shall be 100% for a said engine damage repair occurring within that NVLW period, and 40% for a said engine damage repair that occurred after that NVLW period expired and up to 8 years or 80,000 miles (whichever occurs first) from the In-Service Date.

The Extended Warranty coverage for a percentage of the cost of repair of said engine damage directly caused by a primary engine water pump failure is subject to the requirement that the Settlement Class member submit, to the VW dealer, Proof of Adherence to the Vehicle’s Maintenance Schedule (see Section IV.A.4 below)

The Extended Warranty is subject to the same terms and conditions set forth in the Settlement Class Vehicle's New Vehicle Limited Warranty and Warranty Information Booklet. Damages resulting from abuse, alteration or modification, a collision or crash, vandalism and/or other impact, or improper maintenance shall be excluded and not covered by the Extended Warranty.

The Extended Warranty is fully transferable to subsequent owners, to the extent its time and mileage limits have not expired.

II. Reimbursement of Certain Out-of-Pocket Expenses Paid for a Repair or Replacement of the Primary Engine Water Pump Prior to _____, 2022 and within 8 Years or 80,000 Miles (Whichever Occurred First) from the Vehicle's In-Service Date

If, prior to _____, 2022 [the "Notice Date"] and within eight (8) years or eighty thousand (80,000) miles (whichever occurred first) from said vehicle's In-Service Date, a Settlement Class Member paid for a repair or replacement of the primary engine water pump of a Settlement Class Vehicle, he/she/it may submit a Claim to receive a one-hundred percent (100%) reimbursement of the paid invoice amount for the repair or replacement (parts and labor), limited to one (1) repair or replacement per Settlement Class Vehicle. However, if said repair or replacement of the primary engine water pump was performed by a service center or facility that is not an authorized VW dealer, then the paid invoice amount of the repair (parts and labor), from which the Settlement Class Member may receive reimbursement, shall be limited to a maximum of \$1,150.00.

The above relief is subject to certain limitations and proof requirements which are set forth below and in the Settlement Agreement, which can be found on the Settlement website at www._____.com.

III. Reimbursement for Percentage of Certain Out-of-Pocket Expenses Paid for Repair of Engine Damage Directly Caused by a Primary Engine Water Pump Failure Prior to _____, 2022 and Within 8 years or 80,000 miles (Whichever Occurred First) from the Vehicle's In-Service Date

If, prior to _____, 2022 [the "Notice Date"] and within eight (8) years or eighty thousand (80,000) miles (whichever occurred first) from the Settlement Class Vehicle's In-Service Date, a Settlement Class Member paid for a repair of engine damage that was directly caused by a failure of a Settlement Class Vehicle's primary engine water pump, he/she/it may submit a Claim to receive a percentage of reimbursement of the paid invoice amount for the repair (parts and labor), limited to one (1) repair per Settlement Class Vehicle, in accordance with the following percentage limits of coverage, set forth in the chart below,* which are based upon the age and mileage of the vehicle at the time of said repair or replacement:

Time from In-Service Date	Less than 50,000 miles	50,001 to 60,000 miles	60,001-70,000 miles	70,001-80,000 miles
4 years or less	100%	80%	60%	55%
4-5 years	80%	60%	50%	40%
5-6 years	65%	50%	40%	25%
6-7 years	50%	35%	25%	10%
7-8 years	30%	20%	10%	5%

* The percentages of coverage in the chart above are subject to the following two exceptions:

(i) For any Settlement Class Vehicle for which the original NVLW time and mileage period has not expired at the time of the said engine damage repair, the percentage of coverage shall be 100%, and

(ii) For any Settlement Class Vehicle for which the original NVLW time and mileage period is 6 years or 72,000 miles (whichever occurred first) from the In-Service Date, the percentage of coverage shall be 100% for a said engine damage repair that occurred within that NVLW period, and 40% for a said engine damage repair that occurred after that NVLW period expired and up to 8 years or 80,000 miles (whichever occurred first) from the In-Service Date.

However, if the Settlement Class Vehicle's engine was repaired or replaced by a service center or facility that is not an authorized VW dealer, the maximum invoice amount, to which the applicable sliding scale percentage of coverage above will be applied, shall be \$4,500.00. Thus, for example, if the invoice amount for the engine repair or replacement exceeds \$4,500, the applicable sliding scale percentage will be applied to \$4,500.

IV. Required Proof and Limitations

To qualify for a Claim for Reimbursement of past paid and unreimbursed out-of-pocket expenses provided under Sections II and III above, Settlement Class Members must comply with the following requirements:

Required Claim Form and Supporting Documentation:

A. In order to submit a valid Claim for Reimbursement under this Settlement, you must mail to the Claims Administrator, by first-class mail **post-marked no later than _____, 2022 [45 days after "Notice Date"]**, a fully completed, signed and dated Claim Form, a copy of which accompanies this Notice and is also available at www._____.com, together with all required documentation listed below.

1. An original or legible copy of a repair invoice(s) or record(s) documenting the repair covered under the Settlement and containing the claimant's name, the make, model and vehicle identification number ("VIN") of the Settlement Class Vehicle, the name and address of the authorized VW dealer or non-dealer service center that performed the repair, the date of repair, the Settlement Class Vehicle's mileage at the time of repair, a description of the repair work performed including the parts repaired/replaced and a breakdown of parts and labor costs, and the amount charged (parts and labor) for the repair covered under the Settlement. If reimbursement is sought for repair/replacement of a damaged or failed engine directly caused by a failure of the primary engine water pump under the terms of this Settlement, in addition to the proof requirements above, the Proof of Repair Expense must also show that the engine damage or failure that required repair/replacement was directly caused by a failure of the primary engine water pump. If you opt to send an original document, please make and retain a copy for yourself.

2. Proof of the Settlement Class Member's payment for the repair covered under the Settlement;

3. Proof of the Settlement Class Member's ownership or lease of the Settlement Class Vehicle at the time of the repair covered under the Settlement;

4. Documents or records evidencing the Settlement Class Member's adherence to those aspects of the Settlement Class Vehicle's maintenance schedule, set forth in the Warranty and Maintenance Booklet, that are relevant to the coolant system, including use of the specification of coolant fluid recommended by VW, during the time he/she/it owned and/or leased the vehicle up to the date/mileage of repair or replacement, within a variance of ten percent (10%) of each scheduled time/mileage maintenance interval. If, however, the Settlement Class Member is unable to obtain said documents or records despite a good faith effort to obtain them, the Settlement Class Member may submit a Declaration, signed under penalty of perjury, detailing: (i) the good faith efforts that were made to obtain the records including the person(s) with whom he/she/it communicated in an effort to obtain the records, when and in what manner that occurred, and why the records are not available, and (ii) attesting to adherence to the vehicle maintenance schedule relevant to the coolant system during the time he/she/it owned or leased the vehicle up to the date/mileage of the covered replacement/repair, within the ten percent (10%) variance set forth above. A form Declaration can be downloaded at the Settlement website: www._____.com.

B. If the claimant is not a person to whom the Claim Form was addressed, and/or the vehicle with respect to which a Claim is made is not the vehicle identified by VIN number on the mailed Claim Form, the Claim shall contain proof that the claimant is a Settlement Class Member and that the vehicle is a Settlement Class Vehicle;

Limitations:

A. Any reimbursement pursuant to this Settlement shall be reduced by the amount of any payment, concession, goodwill accommodation, or discount(s) already received from any source (including VWGoA, a Volkswagen dealer, an

Questions? Call 1-____-____-____ or visit www._____.com

insurer, service contract provider, or extended warranty provider, or any other person or entity) for all or part of the amount of the repair that is the subject of the Claim for Reimbursement.

B. Any repair that was due to misuse, abuse, accident, crash, racing, improper operation, lack of or improper maintenance, and/or damage from an external source, does not qualify for reimbursement.

C. VWGoA will not be responsible for, and shall not warrant, repair or replacement work performed at an independent service center.

D. Any replacement water pump and/or engine will be subject to the warranty terms and conditions accompanying replacement parts. The Settlement does not modify the terms, conditions, restrictions, or limitations of that warranty.

2. Why is this a class action settlement?

In a class action lawsuit, one or more persons, called Plaintiffs and Class Representatives, sue on behalf of other people who have similar claims. All of these people are Class Members or Settlement Class Members. The companies they sued are called the Defendants. One court resolves the issues for all Settlement Class Members, except for those who exclude themselves from the Class.

The Court has not decided in favor of the Plaintiffs or Defendants. Instead, both sides agreed to a Settlement with no decision or admission of who is right or wrong. That way, all parties avoid the risks and cost of a trial, and the people affected (the Settlement Class Members) will receive benefits quickly. The Class Representatives and the attorneys believe the Settlement is best for the Settlement Class.

WHO IS PART OF THE SETTLEMENT?

3. Am I in this Settlement Class?

The Court has conditionally approved the following definition of a Settlement Class Member: All persons or entities who purchased or leased a Settlement Class Vehicle in the United States of America and Puerto Rico.

Excluded from the Settlement Class are (a) all Judges who have presided over the Action and their spouses; (b) all current employees, officers, directors, agents, and representatives of VWGoA, and their family members; (c) any affiliate, parent, or subsidiary of VWGoA and any entity in which VWGoA has a controlling interest; (d) anyone acting as a used car dealer; (e) anyone who purchased a Settlement Class Vehicle for the purpose of commercial resale; (f) anyone who purchased a Settlement Class Vehicle with salvaged title and/or any insurance company who acquired a Settlement Class Vehicle as a result of a total loss; (g) any insurer of a Settlement Class Vehicle; (h) issuers of extended vehicle warranties and service contracts; (i) any Settlement Class Member who, prior to the date of final approval of the Settlement, settled with and released VWGoA or any Released Parties from any Released Claims; and (j) any Settlement Class Member who files a timely and proper Request for Exclusion from the Settlement Class (see Section 10 below).

4. I'm still not sure if I am included in this Settlement.

If you are still not sure whether you are included in this Settlement, you can get more information. You can enter your VIN in the VIN look-up Portal at www._____.com to determine if your vehicle is a Settlement Class Vehicle. You can also call the Claim Administrator at 1-____-____-____ or visit www._____.com for more information.

SETTLEMENT BENEFITS – WHAT YOU GET

5. What does the Settlement provide?

The benefits afforded by the Settlement are described in Section 1. Additional details are provided in the next three sections.

Questions? Call 1-____-____-____ or visit www._____.com

6. Who can send in a Claim for reimbursement?

Any United States or Puerto Rico resident who purchased or leased a Settlement Class Vehicle can send in a timely Claim for reimbursement for money spent prior to the Notice Date (date of this Notice) if the Claim satisfies the parameters and criteria required for reimbursement described in Section 1.

7. How do I send in a Claim for reimbursement?

To submit a Claim for reimbursement, you must do the following no later than _____, 2022:

- A. Complete, sign under penalty of perjury, and date a Claim Form. (There is one enclosed with this Class Notice, and you can also download one at www._____.com.) It is recommended that you keep a copy of the completed Claim Form; and
- B. Mail the completed, signed, and dated Claim Form, together with your supporting documentation (i.e., repair record[s], receipts, proof of payment, proof of maintenance, etc.) by First-Class mail, post-marked no later than _____, 2022, to the Claim Administrator at the address provided on the Claim Form. The information that must be reflected in your records is described on the Claim Form. It is recommended that you keep a copy of your records and receipts.

If you are eligible for reimbursement benefits under the Settlement but fail to submit the completed Claim Form and supporting documents by the required deadline, you will not receive a reimbursement.

8. When do I get my reimbursement or learn whether I will receive a payment?

If the Settlement Claims Administrator determines your Claim is valid, your reimbursement will be mailed to you within one hundred (100) days of either (i) the date of receipt of the completed Claim (with all required proof), or (ii) the date that the Settlement becomes final (the “Effective Date”), whichever is later. The Court will hold a Final Fairness Hearing on _____, to decide whether to approve the Settlement as fair, reasonable, and adequate. Information about the progress of the case will be available at www._____.com.

If the Claims Administrator determines your Claim should not be paid, you will be mailed a letter telling you this. If the reason for rejecting your Claim is due to a deficiency in your Claim Form and/or supporting proof, the letter will notify you of the deficiency in your Claim, and what needs to be submitted, and by when, to correct the deficiency. To check on the status of your Claim, you can call 1-____-____-____.

9. What am I giving up to participate in the Settlement and stay in the Class?

Unless you exclude yourself by taking the steps described in Section 10 below, you will remain in the Class, and that means that you will be bound by the release of claims and cannot sue, continue to sue, or be part of any other lawsuit about the same matters, claims, and legal issues that were or could have been asserted in this case, and the Released Claims set forth in the Settlement Agreement. It also means that all of the Court’s orders and judgments will apply to you and legally bind you. The specific claims and parties you will be releasing are set forth in sections I.T and I.U of the Settlement Agreement, a copy of which is available for review on the settlement website, www._____.com.

EXCLUDING YOURSELF FROM THE SETTLEMENT

10. How do I Exclude Myself from this Settlement?

You have a right, if you so desire, to exclude yourself from this Settlement. To exclude yourself from the Settlement, you must send a written Request for Exclusion by U.S. mail **post-marked no later than _____, 2022 [45-days after “Notice Date”]**, stating clearly that you want to be excluded from the Settlement. You must include in the Request for Exclusion your full name, address, telephone number; the model, model year and VIN of the Settlement Class Vehicle; a statement that you are a present or former owner or lessee of a Settlement Class Vehicle; and specifically and unambiguously state your desire to be excluded from the Settlement Class. You must mail your exclusion request, **post-marked no later than _____, 2022 [45-days after “Notice Date”]**, to each of the following:

Questions? Call 1-____-____-____ or visit www._____.com

CLAIMS ADMINISTRATOR	CLASS COUNSEL	DEFENSE COUNSEL
RUST CONSULTING, INC. P.O. BOX 44 MINNEAPOLIS, MN 55440-0044	MATTHEW D. SCHELKOPF, ESQ. SAUDER SCHELKOPF LLC 1109 LANCASTER AVENUE BERWYN, PA 19312	MICHAEL B. GALLUB, ESQ. HERZFELD & RUBIN, P.C. 125 BROAD STREET NEW YORK, NY 10004

You cannot exclude yourself on the phone or by email. If you timely submit your request to be excluded by U.S. mail, you will not receive any benefits of the Settlement and you cannot object to the Settlement. You will not be legally bound by anything that happens in this Lawsuit.

11. If I don't exclude myself, can I sue later?

No, not for the same matters and legal claims that were or could have been asserted in the Action or the Released Claims, unless your claim is for personal injury or property damage (other than damage to the Settlement Class Vehicle itself).

12. If I exclude myself, can I get the benefits of this Settlement?

No, if you exclude yourself from the Settlement Class, you will not receive any money or benefits from this Settlement, and you should not submit a Claim Form. You cannot do both.

13. Do I have a lawyer in this case?

The Court has appointed the law firms of Sauder Schelkopf LLC and Walsh PLLC to represent Settlement Class Members. Together, these law firms are called "Class Counsel."

14. Should I get my own lawyer?

You do not need to hire your own lawyer to participate in the Settlement because Class Counsel will be representing you and the Settlement Class. But, if you want your own lawyer, you may hire one at your own cost.

15. How will the lawyers be paid, and will the Plaintiff Settlement Class Representative receive a service award?

Class Counsel have prosecuted this case on a contingency basis. They have not received any fees or reimbursement for costs and expenses associated with this case. Class Counsel will file an application with the Court requesting an award of reasonable attorney fees and reasonable costs and expenses ("Fees and Expenses") in an amount not exceeding a combined total sum of \$1,700,000.00. VWGoA has agreed not to oppose Class Counsel's application for Fees and Expenses to the extent not exceeding that combined total sum, and Class Counsel have agreed not to accept any Fees and Expenses in excess of that combined total sum.

Class Counsel will also apply to the Court for service awards to the named Plaintiffs, Michael Zhao, Mary Kay Peck and Dean Marriott, who have conditionally been approved as Settlement Class Representatives, in the amount of \$3,500 each for their efforts in pursuing this litigation for the benefit of the Settlement Class.

Any award for Class Counsel Fees and Expenses, and any service awards to Settlement Class Representatives, will be paid separately by Defendant and will not reduce any benefits available to you or the rest of the Settlement Class under the Settlement. You won't have to pay these Fees and Expenses.

Class Counsel's motion for fees and expenses and Settlement Class Representative service awards will be filed by _____, and a copy will be made available for review at www._____.com.

SUPPORTING OR OBJECTING TO THE SETTLEMENT

Questions? Call 1-____-____-____ or visit www._____.com

16. How do I tell the Court that I like or dislike the Settlement?

If you are a member of the Settlement Class and do not request to be excluded, you can tell the Court you like the Settlement and it should be approved, or you can ask the Court to deny approval by filing a written objection. You can object to the Settlement and/or to Class Counsel’s requests for Fees and Expenses and Settlement Class Representative service awards. You cannot ask the Court to order a different settlement; the Court can only approve or reject the proposed Settlement. If the Court denies approval of the Settlement, no settlement payments will be sent out and the Lawsuit will continue. If that is what you want to happen, you must object on a timely basis. You are not required to submit anything to the Court unless you are objecting or wish to be excluded from the Settlement.

To object to or comment on the Settlement, you must do either of the following:

- (i) File your written objection or comment, and any supporting papers or materials, on the Court’s docket for this case, *Michael Zhao, Mary Kay Peck and Dean Marriott, individually and on behalf of others similarly situated v. Volkswagen Group of America, Inc., et al.*, United States District Court for the District of New Jersey, Civil Action No. 2:21-cv-11251, via its electronic filing system, no later than _____, 2022 **[45-days after “Notice Date”]**, or
- (i) File your written objection or comment, and any supporting papers or materials, with the Court in person at the United States District Court for the District of New Jersey, 4015 Martin Luther King Jr. Federal Building and United States Courthouse, 50 Walnut Street, Newark, New Jersey 07102, no later than _____, 2022 **[45-days after “Notice Date”]**, or
- (ii) Mail your written objection or comment, and any supporting papers or materials, to each of the following, by U.S. first-class mail, post-marked no later than _____, 2022 **[45-days after “Notice Date”]**:

COURT	CLASS COUNSEL	DEFENSE COUNSEL
HON. MADELINE COX ARLEO UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEW JERSEY 4015 MARTIN LUTHER KING JR. FEDERAL BUILDING AND UNITED STATES COURTHOUSE 50 WALNUT STREET NEWARK, NEW JERSEY 07102	MATTHEW D. SCHELKOPF, ESQ. SAUDER SCHELKOPF LLC 1109 LANCASTER AVENUE BERWYN, PA 19312	MICHAEL B. GALLUB, ESQ. HERZFELD & RUBIN, P.C. 125 BROAD STREET NEW YORK, NY 10004

Regardless of the above method you choose, your written objection must state clearly that you are objecting to the Settlement or the request for Class Counsel Fees and Expenses and/or Class Representative Service Awards, in *Michael Zhao, et al. v. Volkswagen Group of America, Inc., et al.*, United States District Court for the District of New Jersey, Civil Action No. 2:21-cv-11251, and must include your full name, current address and telephone number; the model, model year and VIN of your Settlement Class Vehicle, along with proof that you own(ed) or lease(d) the Settlement Class Vehicle (i.e., a true copy of a vehicle title, registration or license receipt); a written statement of all your factual and legal grounds for objecting; copies of any papers, briefs and/or other documents upon which the objection is based and which are pertinent to the objection; and the name, address, and telephone number of any counsel representing you. Any Settlement Class Member objecting to the Settlement must also provide a detailed list of any other objections submitted by the objector, or the objector’s counsel, to any class action settlements in any court in the United States in the previous five (5) years, including the full case name with jurisdiction in which it was filed and the docket number, or affirmatively state that the Settlement Class Member or his/her counsel has not objected to any other class action settlement in the United States in the previous five (5) years, in the written materials provided with the objection.

Subject to the approval of the Court, any objecting Settlement Class Member may appear, in person or by counsel, at the Final Fairness Hearing. In order to appear, the objecting Settlement Class Member must, by the objection deadline of _____, 2022 [45-days after “Notice Date”], file with the Clerk of the Court and serve upon all counsel designated in the Class Notice (see above), a Notice of Intention to Appear at the Fairness Hearing. The Notice of Intention to

Appear must include copies of any papers, exhibits or other evidence and identity of witnesses that the objecting Settlement Class Member (or his/her counsel) intends to present to the Court in connection with the Fairness Hearing.

Any Settlement Class Member who does not submit a written comment on, or objection to the proposed Settlement or the application of Class Counsel for service awards or attorneys' Fees and Expenses in accordance with the deadline and procedure set forth herein, shall waive his/her right to do so and to appeal from any order or judgment of the Court concerning this Action.

Any Settlement Class Member who does not provide a Notice of Intention to Appear in accordance with the deadline and other requirements set forth in this Settlement Agreement and Class Notice shall be deemed to have waived any right to appear, in person or by counsel, at the Final Fairness Hearing.

17. What is the difference between objecting and excluding myself?

Objecting is simply telling the Court that you do not like something about the Settlement. You can object only if you stay in the Settlement Class. Excluding yourself is telling the Court that you do not want to be part of the Settlement Class and the Settlement. If you exclude yourself, you have no basis to object because the case no longer affects you.

FINAL FAIRNESS HEARING

18. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Fairness Hearing at ____ **a.m. on** _____, before the Honorable Madeline Cox Arleo, United States District Judge, United States District Court for the District of New Jersey, 4015 Martin Luther King Jr. Federal Building and United States Courthouse, Court Room MLK 4A, 50 Walnut Street, Newark, New Jersey 07102, to determine whether the Settlement should be finally approved. At this Fairness Hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The Court will also consider Class Counsel's application for Fees and Expenses and service awards to the Settlement Class Representatives. The date of the Final Fairness Hearing may change without further notice to the Settlement Class. You should check the Settlement Website or the Court's PACER site to confirm that the date has not changed.

19. Do I have to come to the Fairness Hearing?

No. Class Counsel will answer any questions the Court may have. But you are welcome to come at your own expense. If you send an objection, you do not have to come to Court to talk about it. You may also pay your own lawyer to attend. Your objection will be considered by the Court whether you or your lawyer attend or not.

20. May I speak at the Fairness Hearing?

If you do not exclude yourself, you may ask the Court's permission to speak at the Fairness Hearing concerning the proposed Settlement or the application of Class Counsel for Fees and Expenses and Settlement Class Representative service awards. To do so, you must file with the Clerk of the Court, and serve upon all counsel identified in Section 16 of this Class Notice, a Notice of Intention to Appear at the Fairness Hearing, saying that it is your intention to appear at the Fairness Hearing in *Michael Zhao, et al. v. Volkswagen Group of America, Inc., et al.*, United States District Court for the District of New Jersey, Civil Action No. 2:21-cv-11251. The Notice of Intention to Appear must include copies of any papers, exhibits or other evidence and the identity of witnesses that the objecting Settlement Class Member (or the objecting Settlement Class Member's counsel) intends to present to the Court in connection with the Fairness Hearing.

You must file your Notice of Intention to Appear with the Clerk of the Court and serve upon all counsel designated in the Class Notice, by the objection deadline of _____, 2022 [45-days after "Notice Date"]. You cannot speak at the Fairness Hearing if you excluded yourself from the Settlement.

IF YOU DO NOTHING

Questions? Call 1-____-____-____ or visit www._____.com

21. What happens if I do nothing at all?

If you do nothing, you will be bound by the Settlement if the Court approves it, including all orders, judgements and the release of claims set forth in the Settlement.

MORE INFORMATION

22. Where can I get more information?

Visit the website at www._____.com where you can look up your vehicle's VIN to determine if it is Settlement Class Vehicle, find extra Claim Forms, a copy of the Settlement Agreement and other pertinent documents, and more information on this Litigation and Settlement. Updates regarding the Action, including important dates and deadlines, will also be available on the website. You may also call the Claims Administrator at 1-____-____-____ or email [INSERT EMAIL ADDRESS].

Questions? Call 1-____-____-____ or visit www._____.com

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

A federal court authorized this notice. This is not a solicitation from a lawyer.

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEW JERSEY

If you currently or previously owned or leased a certain Audi brand vehicle equipped with a 1.8L or 2.0L engine in the United States or Puerto Rico, you may be entitled to benefits afforded by a class action settlement. This notice is being mailed to you because you have been identified as owning or leasing such a vehicle.

- **This proposed class action, pending in the United States District Court for the District of New Jersey, is captioned *Michael Zhao, et al. v. Volkswagen Group of America, Inc., et al.* Civil Action No. 2:21-cv-11251 (the “Action” or “Lawsuit”). The parties have agreed to a class settlement of the Action and have asked the Court to approve the proposed Settlement. As a Settlement Class Member, you have various options that you may exercise before the Court decides whether to approve the Settlement.**
- **This Notice explains the Action, the proposed Settlement, your legal rights and options, available benefits, who is eligible for and how to obtain the benefits, and applicable dates, time deadlines and procedures.**
- **Your legal rights are affected whether you act or do not act. Read this Notice carefully.**
- **The Court in charge of this case still has to decide whether to approve the Settlement. Payments will be made only if the Court approves the Settlement and after appeals, if any, are resolved.**

BASIC INFORMATION

1. Why you received this notice, and what the Lawsuit and settlement benefits are.

According to records, you are a current or past owner or lessee of a certain specific Audi 1.8L or 2.0L engine vehicle of the following models/model years, that was imported and distributed by Volkswagen Group of America, Inc. (“VWGoA”) in the United States or Puerto Rico (hereinafter, collectively, “Settlement Class Vehicles”):

- Certain MY2015-2020 Audi A3*
- Certain MY2015-2020 Audi A4*
- Certain MY2015-2020 Audi A4 Allroad*
- Certain MY2015-2020 Audi A5*
- Certain MY2015-2020 Audi A6*
- Certain MY2015-2020 Audi A7*
- Certain MY2015-2020 Audi Q3*
- Certain MY2015-2021 Audi Q5*
- Certain MY2015-2020 Audi TT*
- Certain MY2017-2020 Audi Q7*

*Not every such model and model year vehicle is covered by this Settlement (i.e., a Settlement Class Vehicle). The specific Settlement Class Vehicles are determined by Vehicle Identification Numbers (VINs). You can look up whether your vehicle is a Settlement Class Vehicle by typing your vehicle’s VIN where indicated in the VIN Lookup Portal on the Settlement website, www._____.com.

A Settlement Class Member is defined as a current or past owner or lessee of a Settlement Class Vehicle.

Questions? Call 1-____-____-____ or visit www._____.com

The Lawsuit claims that there was a defect that caused the primary engine water pump (defined as the primary coolant module, including the engine water (coolant) pump and the controller unit) in some Settlement Class Vehicles to fail, sometimes requiring repair or replacement. VWGoA has denied the claims and maintains that the primary engine water pumps in the Settlement Class Vehicles are not defective, function properly, were properly designed, manufactured, marketed and sold, and that no applicable warranties were breached nor any applicable statutes violated. The Court has not decided in favor of either party. Instead, the Lawsuit has been resolved through a Settlement under which the benefits set forth below will be provided:

I. Warranty Extension for Current Owners or Lessees of Settlement Class Vehicles

Effective on _____, 2022 [the “Notice Date”], VWGoA will extend its New Vehicle Limited Warranties (“NVLW”) applicable to the Settlement Class Vehicles to cover one (1) repair or replacement of a failed primary engine water pump, by an authorized Audi dealer, during a period of up to eight (8) years or eighty thousand (80,000) miles (whichever occurs first) from the In-Service Date of the Settlement Class Vehicle, provided that the Settlement Class Member submits to the dealer Proof of Adherence to the Vehicle’s Maintenance Schedule, described below (hereinafter, the “Extended Warranty”). The Extended Warranty will cover the primary engine water pump and all parts and labor necessary to effectuate that repair.

The Extended Warranty will also include coverage for a percentage of the cost of repair or replacement (parts and labor) by an authorized Audi dealer of a damaged engine of a Settlement Class Vehicle that is directly caused by the failure of the vehicle’s primary engine water pump, during the aforesaid Extended Warranty period of eight (8) years or eighty thousand (80,000) miles (whichever occurs first) from the vehicle’s In-Service Date, in accordance with the following percentage limits of coverage, set forth in the chart below,* which are based upon the age and mileage of the vehicle at the time of said repair or replacement:

Time from In-Service Date	Less than 50,000 miles	50,001 to 60,000 miles	60,001-70,000 miles	70,001-80,000 miles
4 years or less	100%	80%	60%	55%
4-5 years	80%	60%	50%	40%
5-6 years	60%	50%	40%	25%
6-7 years	50%	35%	25%	10%
7-8 years	30%	20%	10%	5%

*The percentages of coverage in the chart above are subject to the following two exceptions:

(i) For any Settlement Class Vehicle for which the original NVLW time and mileage period has not expired at the time of the said engine damage repair, the percentage of coverage shall be 100%

The Extended Warranty coverage for a percentage of the cost of repair of said engine damage directly caused by a primary engine water pump failure is subject to the requirement that the Settlement Class member submit, to the Audi dealer, Proof of Adherence to the Vehicle’s Maintenance Schedule (see Section IV.A.4 below)

The Extended Warranty is subject to the same terms and conditions set forth in the Settlement Class Vehicle's New Vehicle Limited Warranty and Warranty Information Booklet. Damages resulting from abuse, alteration or modification, a collision or crash, vandalism and/or other impact, or improper maintenance shall be excluded and not covered by the Extended Warranty.

The Extended Warranty is fully transferable to subsequent owners, to the extent its time and mileage limits have not expired.

II. Reimbursement of Certain Out-of-Pocket Expenses Paid for a Repair or Replacement of the Primary Engine Water Pump Prior to _____, 2022 and within 8 Years or 80,000 Miles (Whichever Occurred First) from the Vehicle’s In-Service Date

If, prior to _____, 2022 [the “Notice Date”] and within eight (8) years or eighty thousand (80,000) miles (whichever occurred first) from said vehicle’s In-Service Date, a Settlement Class Member paid for a repair or replacement of the primary engine water pump of a Settlement Class Vehicle, he/she/it may submit a Claim to receive a one-hundred percent (100%) reimbursement of the paid invoice amount for the repair or replacement (parts and labor), limited to one (1) repair or replacement per Settlement Class Vehicle. However, if said repair or replacement of the primary engine water pump was performed by a service center or facility that is not an authorized Audi dealer, then the paid invoice amount of the repair (parts and labor), from which the Settlement Class Member may receive reimbursement, shall be limited to a maximum of \$1,150.00.

The above relief is subject to certain limitations and proof requirements which are set forth below and in the Settlement Agreement, which can be found on the Settlement website at www._____.com.

III. Reimbursement for Percentage of Certain Out-of-Pocket Expenses Paid for Repair of Engine Damage Directly Caused by a Primary Engine Water Pump Failure Prior to _____, 2022 and Within 8 years or 80,000 miles (Whichever Occurred First) from the Vehicle’s In-Service Date

If, prior to _____, 2022 [the “Notice Date”] and within eight (8) years or eighty thousand (80,000) miles (whichever occurred first) from the Settlement Class Vehicle’s In-Service Date, a Settlement Class Member paid for a repair of engine damage that was directly caused by a failure of a Settlement Class Vehicle’s primary engine water pump, he/she/it may submit a Claim to receive a percentage of reimbursement of the paid invoice amount for the repair (parts and labor), limited to one (1) repair per Settlement Class Vehicle, in accordance with the following percentage limits of coverage, set forth in the chart below,* which are based upon the age and mileage of the vehicle at the time of said repair or replacement:

Time from In-Service Date	Less than 50,000 miles	50,001 to 60,000 miles	60,001-70,000 miles	70,001-80,000 miles
4 years or less	100%	80%	60%	55%
4-5 years	80%	60%	50%	40%
5-6 years	65%	50%	40%	25%
6-7 years	50%	35%	25%	10%
7-8 years	30%	20%	10%	5%

* The percentages of coverage in the chart above are subject to the following two exceptions:

(i) For any Settlement Class Vehicle for which the original NVLW time and mileage period has not expired at the time of the said engine damage repair, the percentage of coverage shall be 100%.

However, if the Settlement Class Vehicle’s engine was repaired or replaced by a service center or facility that is not an authorized Audi dealer, the maximum invoice amount, to which the applicable sliding scale percentage of coverage above will be applied, shall be \$4,500.00. Thus, for example, if the invoice amount for the engine repair or replacement exceeds \$4,500, the applicable sliding scale percentage will be applied to \$4,500.

Questions? Call 1-____-____-____ or visit www._____.com

IV. Required Proof and Limitations

To qualify for a Claim for Reimbursement of past paid and unreimbursed out-of-pocket expenses provided under Sections II and III above, Settlement Class Members must comply with the following requirements:

Required Claim Form and Supporting Documentation:

A. In order to submit a valid Claim for Reimbursement under this Settlement, you must mail to the Claims Administrator, by first-class mail **post-marked no later than _____, 2022 [45 days after “Notice Date”]**, a fully completed, signed and dated Claim Form, a copy of which accompanies this Notice and is also available at www._____.com, together with all required documentation listed below.

1. An original or legible copy of a repair invoice(s) or record(s) documenting the repair covered under the Settlement and containing the claimant’s name, the make, model and vehicle identification number (“VIN”) of the Settlement Class Vehicle, the name and address of the authorized Audi dealer or non-dealer service center that performed the repair, the date of repair, the Settlement Class Vehicle’s mileage at the time of repair, a description of the repair work performed including the parts repaired/replaced and a breakdown of parts and labor costs, and the amount charged (parts and labor) for the repair covered under the Settlement. If reimbursement is sought for repair/replacement of a damaged or failed engine directly caused by a failure of the primary engine water pump under the terms of this Settlement, in addition to the proof requirements above, the Proof of Repair Expense must also show that the engine damage or failure that required repair/replacement was directly caused by a failure of the primary engine water pump. If you opt to send an original document, please make and retain a copy for yourself.

2. Proof of the Settlement Class Member’s payment for the repair covered under the Settlement;

3. Proof of the Settlement Class Member’s ownership or lease of the Settlement Class Vehicle at the time of the repair covered under the Settlement;

4. Documents or records evidencing the Settlement Class Member’s adherence to those aspects of the Settlement Class Vehicle’s maintenance schedule, set forth in the Warranty and Maintenance Booklet, that are relevant to the coolant system, including use of the specification of coolant fluid recommended by Audi, during the time he/she/it owned and/or leased the vehicle up to the date/mileage of repair or replacement, within a variance of ten percent (10%) of each scheduled time/mileage maintenance interval. If, however, the Settlement Class Member is unable to obtain said documents or records despite a good faith effort to obtain them, the Settlement Class Member may submit a Declaration, signed under penalty of perjury, detailing: (i) the good faith efforts that were made to obtain the records including the person(s) with whom he/she/it communicated in an effort to obtain the records, when and in what manner that occurred, and why the records are not available, and (ii) attesting to adherence to the vehicle maintenance schedule relevant to the coolant system during the time he/she/it owned or leased the vehicle up to the date/mileage of the covered replacement/repair, within the ten percent (10%) variance set forth above. A form Declaration can be downloaded at the Settlement website: www._____.com.

B. If the claimant is not a person to whom the Claim Form was addressed, and/or the vehicle with respect to which a Claim is made is not the vehicle identified by VIN number on the mailed Claim Form, the Claim shall contain proof that the claimant is a Settlement Class Member and that the vehicle is a Settlement Class Vehicle;

Limitations:

A. Any reimbursement pursuant to this Settlement shall be reduced by the amount of any payment, concession, goodwill accommodation, or discount(s) already received from any source (including VWGoA, an Audi dealer, an insurer, service contract provider, or extended warranty provider, or any other person or entity) for all or part of the amount of the repair that is the subject of the Claim for Reimbursement.

B. Any repair that was due to misuse, abuse, accident, crash, racing, improper operation, lack of or improper maintenance, and/or damage from an external source, does not qualify for reimbursement.

C. VWGoA will not be responsible for, and shall not warrant, repair or replacement work performed at an independent service center.

D. Any replacement water pump and/or engine will be subject to the warranty terms and conditions accompanying replacement parts. The Settlement does not modify the terms, conditions, restrictions, or limitations of that warranty.

2. Why is this a class action settlement?

In a class action lawsuit, one or more persons, called Plaintiffs and Class Representatives, sue on behalf of other people who have similar claims. All of these people are Class Members or Settlement Class Members. The companies they sued are called the Defendants. One court resolves the issues for all Settlement Class Members, except for those who exclude themselves from the Class.

The Court has not decided in favor of the Plaintiffs or Defendants. Instead, both sides agreed to a Settlement with no decision or admission of who is right or wrong. That way, all parties avoid the risks and cost of a trial, and the people affected (the Settlement Class Members) will receive benefits quickly. The Class Representatives and the attorneys believe the Settlement is best for the Settlement Class.

WHO IS PART OF THE SETTLEMENT?

3. Am I in this Settlement Class?

The Court has conditionally approved the following definition of a Settlement Class Member: All persons or entities who purchased or leased a Settlement Class Vehicle in the United States of America and Puerto Rico.

Excluded from the Settlement Class are (a) all Judges who have presided over the Action and their spouses; (b) all current employees, officers, directors, agents, and representatives of VWGoA, and their family members; (c) any affiliate, parent, or subsidiary of VWGoA and any entity in which VWGoA has a controlling interest; (d) anyone acting as a used car dealer; (e) anyone who purchased a Settlement Class Vehicle for the purpose of commercial resale; (f) anyone who purchased a Settlement Class Vehicle with salvaged title and/or any insurance company who acquired a Settlement Class Vehicle as a result of a total loss; (g) any insurer of a Settlement Class Vehicle; (h) issuers of extended vehicle warranties and service contracts; (i) any Settlement Class Member who, prior to the date of final approval of the Settlement, settled with and released VWGoA or any Released Parties from any Released Claims; and (j) any Settlement Class Member who files a timely and proper Request for Exclusion from the Settlement Class (see Section 10 below).

4. I'm still not sure if I am included in this Settlement.

If you are still not sure whether you are included in this Settlement, you can get more information. You can enter your VIN in the VIN look-up Portal at www._____.com to determine if your vehicle is a Settlement Class Vehicle. You can also call the Claim Administrator at 1-____-____-____ or visit www._____.com for more information.

SETTLEMENT BENEFITS – WHAT YOU GET

5. What does the Settlement provide?

The benefits afforded by the Settlement are described in Section 1. Additional details are provided in the next three sections.

6. Who can send in a Claim for reimbursement?

Any United States or Puerto Rico resident who purchased or leased a Settlement Class Vehicle can send in a timely Claim for reimbursement for money spent prior to the Notice Date (date of this Notice) if the Claim satisfies the parameters and criteria required for reimbursement described in Section 1.

Questions? Call 1-____-____-____ or visit www._____.com

7. How do I send in a Claim for reimbursement?

To submit a Claim for reimbursement, you must do the following no later than _____, 2022:

- A. Complete, sign under penalty of perjury, and date a Claim Form. (There is one enclosed with this Class Notice, and you can also download one at www._____.) It is recommended that you keep a copy of the completed Claim Form; and
- B. Mail the completed, signed, and dated Claim Form, together with your supporting documentation (i.e., repair record[s], receipts, proof of payment, proof of maintenance, etc.) by First-Class mail, post-marked no later than _____, 2022, to the Claim Administrator at the address provided on the Claim Form. The information that must be reflected in your records is described on the Claim Form. It is recommended that you keep a copy of your records and receipts.

If you are eligible for reimbursement benefits under the Settlement but fail to submit the completed Claim Form and supporting documents by the required deadline, you will not receive a reimbursement.

8. When do I get my reimbursement or learn whether I will receive a payment?

If the Settlement Claims Administrator determines your Claim is valid, your reimbursement will be mailed to you within one hundred (100) days of either (i) the date of receipt of the completed Claim (with all required proof), or (ii) the date that the Settlement becomes final (the “Effective Date”), whichever is later. The Court will hold a Final Fairness Hearing on _____, to decide whether to approve the Settlement as fair, reasonable, and adequate. Information about the progress of the case will be available at www._____.com.

If the Claims Administrator determines your Claim should not be paid, you will be mailed a letter telling you this. If the reason for rejecting your Claim is due to a deficiency in your Claim Form and/or supporting proof, the letter will notify you of the deficiency in your Claim, and what needs to be submitted, and by when, to correct the deficiency. To check on the status of your Claim, you can call 1-____-____-_____.

9. What am I giving up to participate in the Settlement and stay in the Class?

Unless you exclude yourself by taking the steps described in Section 10 below, you will remain in the Class, and that means that you will be bound by the release of claims and cannot sue, continue to sue, or be part of any other lawsuit about the same matters, claims, and legal issues that were or could have been asserted in this case, and the Released Claims set forth in the Settlement Agreement. It also means that all of the Court’s orders and judgments will apply to you and legally bind you. The specific claims and parties you will be releasing are set forth in sections I.T and I.U of the Settlement Agreement, a copy of which is available for review on the settlement website, www._____.com.

EXCLUDING YOURSELF FROM THE SETTLEMENT

10. How do I Exclude Myself from this Settlement?

You have a right, if you so desire, to exclude yourself from this Settlement. To exclude yourself from the Settlement, you must send a written Request for Exclusion by U.S. mail **post-marked no later than _____, 2022 [45-days after “Notice Date”]**, stating clearly that you want to be excluded from the Settlement. You must include in the Request for Exclusion your full name, address, telephone number; the model, model year and VIN of the Settlement Class Vehicle; a statement that you are a present or former owner or lessee of a Settlement Class Vehicle; and specifically and unambiguously state your desire to be excluded from the Settlement Class. You must mail your exclusion request, **post-marked no later than _____, 2022 [45-days after “Notice Date”]**, to each of the following:

Questions? Call 1-____-____-_____ or visit www._____.com

CLAIMS ADMINISTRATOR	CLASS COUNSEL	DEFENSE COUNSEL
RUST CONSULTING, INC. P.O. BOX 44 MINNEAPOLIS, MN 55440-0044	MATTHEW D. SCHELKOPF, ESQ. SAUDER SCHELKOPF LLC 1109 LANCASTER AVENUE BERWYN, PA 19312	MICHAEL B. GALLUB, ESQ. HERZFELD & RUBIN, P.C. 125 BROAD STREET NEW YORK, NY 10004

You cannot exclude yourself on the phone or by email. If you timely submit your request to be excluded by U.S. mail, you will not receive any benefits of the Settlement and you cannot object to the Settlement. You will not be legally bound by anything that happens in this Lawsuit.

11. If I don't exclude myself, can I sue later?

No, not for the same matters and legal claims that were or could have been asserted in the Action or the Released Claims, unless your claim is for personal injury or property damage (other than damage to the Settlement Class Vehicle itself).

12. If I exclude myself, can I get the benefits of this Settlement?

No, if you exclude yourself from the Settlement Class, you will not receive any money or benefits from this Settlement, and you should not submit a Claim Form. You cannot do both.

13. Do I have a lawyer in this case?

The Court has appointed the law firms of Sauder Schelkopf LLC and Walsh PLLC to represent Settlement Class Members. Together, these law firms are called "Class Counsel."

14. Should I get my own lawyer?

You do not need to hire your own lawyer to participate in the Settlement because Class Counsel will be representing you and the Settlement Class. But, if you want your own lawyer, you may hire one at your own cost.

15. How will the lawyers be paid, and will the Plaintiff Settlement Class Representative receive a service award?

Class Counsel have prosecuted this case on a contingency basis. They have not received any fees or reimbursement for costs and expenses associated with this case. Class Counsel will file an application with the Court requesting an award of reasonable attorney fees and reasonable costs and expenses ("Fees and Expenses") in an amount not exceeding a combined total sum of \$1,700,000.00. VWGoA has agreed not to oppose Class Counsel's application for Fees and Expenses to the extent not exceeding that combined total sum, and Class Counsel have agreed not to accept any Fees and Expenses in excess of that combined total sum.

Class Counsel will also apply to the Court for service awards to the named Plaintiffs, Michael Zhao, Mary Kay Peck and Dean Marriott, who have conditionally been approved as Settlement Class Representatives, in the amount of \$3,500 each for their efforts in pursuing this litigation for the benefit of the Settlement Class.

Any award for Class Counsel Fees and Expenses, and any service awards to Settlement Class Representatives, will be paid separately by Defendant and will not reduce any benefits available to you or the rest of the Settlement Class under the Settlement. You won't have to pay these Fees and Expenses.

Class Counsel's motion for fees and expenses and Settlement Class Representative service awards will be filed by _____, and a copy will be made available for review at www._____.com.

SUPPORTING OR OBJECTING TO THE SETTLEMENT

Questions? Call 1-____-____-____ or visit www._____.com

16. How do I tell the Court that I like or dislike the Settlement?

If you are a member of the Settlement Class and do not request to be excluded, you can tell the Court you like the Settlement and it should be approved, or you can ask the Court to deny approval by filing a written objection. You can object to the Settlement and/or to Class Counsel’s requests for Fees and Expenses and Settlement Class Representative service awards. You cannot ask the Court to order a different settlement; the Court can only approve or reject the proposed Settlement. If the Court denies approval of the Settlement, no settlement payments will be sent out and the Lawsuit will continue. If that is what you want to happen, you must object on a timely basis. You are not required to submit anything to the Court unless you are objecting or wish to be excluded from the Settlement.

To object to or comment on the Settlement, you must do either of the following:

- (i) File your written objection or comment, and any supporting papers or materials, on the Court’s docket for this case, *Michael Zhao, Mary Kay Peck and Dean Marriott, individually and on behalf of others similarly situated v. Volkswagen Group of America, Inc., et al.*, United States District Court for the District of New Jersey, Civil Action No. 2:21-cv-11251, via its electronic filing system, no later than _____, 2022 **[45-days after “Notice Date”]**, or
- (i) File your written objection or comment, and any supporting papers or materials, with the Court in person at the United States District Court for the District of New Jersey, 4015 Martin Luther King Jr. Federal Building and United States Courthouse, 50 Walnut Street, Newark, New Jersey 07102, no later than _____, 2022 **[45-days after “Notice Date”]**, or
- (ii) Mail your written objection or comment, and any supporting papers or materials, to each of the following, by U.S. first-class mail, post-marked no later than _____, 2022 **[45-days after “Notice Date”]**:

COURT	CLASS COUNSEL	DEFENSE COUNSEL
HON. MADELINE COX ARLEO UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEW JERSEY 4015 MARTIN LUTHER KING JR. FEDERAL BUILDING AND UNITED STATES COURTHOUSE 50 WALNUT STREET NEWARK, NEW JERSEY 07102	MATTHEW D. SCHELKOPF, ESQ. SAUDER SCHELKOPF LLC 1109 LANCASTER AVENUE BERWYN, PA 19312	MICHAEL B. GALLUB, ESQ. HERZFELD & RUBIN, P.C. 125 BROAD STREET NEW YORK, NY 10004

Regardless of the above method you choose, your written objection must state clearly that you are objecting to the Settlement or the request for Class Counsel Fees and Expenses and/or Class Representative Service Awards, in *Michael Zhao, et al. v. Volkswagen Group of America, Inc., et al.*, United States District Court for the District of New Jersey, Civil Action No. 2:21-cv-11251, and must include your full name, current address and telephone number; the model, model year and VIN of your Settlement Class Vehicle, along with proof that you own(ed) or lease(d) the Settlement Class Vehicle (i.e., a true copy of a vehicle title, registration or license receipt); a written statement of all your factual and legal grounds for objecting; copies of any papers, briefs and/or other documents upon which the objection is based and which are pertinent to the objection; and the name, address, and telephone number of any counsel representing you. Any Settlement Class Member objecting to the Settlement must also provide a detailed list of any other objections submitted by the objector, or the objector’s counsel, to any class action settlements in any court in the United States in the previous five (5) years, including the full case name with jurisdiction in which it was filed and the docket number, or affirmatively state that the Settlement Class Member or his/her counsel has not objected to any other class action settlement in the United States in the previous five (5) years, in the written materials provided with the objection.

Subject to the approval of the Court, any objecting Settlement Class Member may appear, in person or by counsel, at the Final Fairness Hearing. In order to appear, the objecting Settlement Class Member must, by the objection deadline of _____, 2022 [45-days after “Notice Date”], file with the Clerk of the Court and serve upon all counsel designated in the Class Notice (see above), a Notice of Intention to Appear at the Fairness Hearing. The Notice of Intention to

Appear must include copies of any papers, exhibits or other evidence and identity of witnesses that the objecting Settlement Class Member (or his/her counsel) intends to present to the Court in connection with the Fairness Hearing.

Any Settlement Class Member who does not submit a written comment on, or objection to the proposed Settlement or the application of Class Counsel for service awards or attorneys' Fees and Expenses in accordance with the deadline and procedure set forth herein, shall waive his/her right to do so and to appeal from any order or judgment of the Court concerning this Action.

Any Settlement Class Member who does not provide a Notice of Intention to Appear in accordance with the deadline and other requirements set forth in this Settlement Agreement and Class Notice shall be deemed to have waived any right to appear, in person or by counsel, at the Final Fairness Hearing.

17. What is the difference between objecting and excluding myself?

Objecting is simply telling the Court that you do not like something about the Settlement. You can object only if you stay in the Settlement Class. Excluding yourself is telling the Court that you do not want to be part of the Settlement Class and the Settlement. If you exclude yourself, you have no basis to object because the case no longer affects you.

FINAL FAIRNESS HEARING

18. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Fairness Hearing at ____ a.m. on _____, before the Honorable Madeline Cox Arleo, United States District Judge, United States District Court for the District of New Jersey, 4015 Martin Luther King Jr. Federal Building and United States Courthouse, Court Room MLK 4A, 50 Walnut Street, Newark, New Jersey 07102, to determine whether the Settlement should be finally approved. At this Fairness Hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The Court will also consider Class Counsel's application for Fees and Expenses and service awards to the Settlement Class Representatives. The date of the Final Fairness Hearing may change without further notice to the Settlement Class. You should check the Settlement Website or the Court's PACER site to confirm that the date has not changed.

19. Do I have to come to the Fairness Hearing?

No. Class Counsel will answer any questions the Court may have. But you are welcome to come at your own expense. If you send an objection, you do not have to come to Court to talk about it. You may also pay your own lawyer to attend. Your objection will be considered by the Court whether you or your lawyer attend or not.

20. May I speak at the Fairness Hearing?

If you do not exclude yourself, you may ask the Court's permission to speak at the Fairness Hearing concerning the proposed Settlement or the application of Class Counsel for Fees and Expenses and Settlement Class Representative service awards. To do so, you must file with the Clerk of the Court, and serve upon all counsel identified in Section 16 of this Class Notice, a Notice of Intention to Appear at the Fairness Hearing, saying that it is your intention to appear at the Fairness Hearing in *Michael Zhao, et al. v. Volkswagen Group of America, Inc., et al.*, United States District Court for the District of New Jersey, Civil Action No. 2:21-cv-11251. The Notice of Intention to Appear must include copies of any papers, exhibits or other evidence and the identity of witnesses that the objecting Settlement Class Member (or the objecting Settlement Class Member's counsel) intends to present to the Court in connection with the Fairness Hearing.

You must file your Notice of Intention to Appear with the Clerk of the Court and serve upon all counsel designated in the Class Notice, by the objection deadline of _____, 2022 [45-days after "Notice Date"]. You cannot speak at the Fairness Hearing if you excluded yourself from the Settlement.

IF YOU DO NOTHING

21. What happens if I do nothing at all?

If you do nothing, you will be bound by the Settlement if the Court approves it, including all orders, judgements and the release of claims set forth in the Settlement.

MORE INFORMATION

22. Where can I get more information?

Visit the website at www._____.com where you can look up your vehicle's VIN to determine if it is Settlement Class Vehicle, find extra Claim Forms, a copy of the Settlement Agreement and other pertinent documents, and more information on this Litigation and Settlement. Updates regarding the Action, including important dates and deadlines, will also be available on the website. You may also call the Claims Administrator at 1-____-____-____ or email [INSERT EMAIL ADDRESS].

Questions? Call 1-____-____-____ or visit www._____.com

EXHIBIT 3

**UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY**

MICHAEL ZHAO, DEAN MARRIOTT
and MARY KAY PECK, individually and
on behalf of others similarly situated,

Plaintiffs,

vs.

VOLKSWAGEN GROUP OF
AMERICA, INC., a New Jersey
Corporation, d/b/a VOLKSWAGEN OF
AMERICA, INC., AUDI OF AMERICA
INC., VOLKSWAGEN AG, a German
Corporation, and AUDI AG, a German
Corporation,

Defendants.

Civil Action No. 2:21-cv-11251-MCA

**[PROPOSED] ORDER
GRANTING PRELIMINARY
APPROVAL OF CLASS
ACTION SETTLEMENT**

WHEREAS, pursuant to Fed. R. Civ. P. (“Rule”) 23(a), 23(b)(3), and 23(e), the parties seek entry of an order, *inter alia*, preliminarily approving the class Settlement of this Action (“Settlement”) pursuant to the terms and provisions of the Settlement Agreement dated January 28, 2022, with attached exhibits (“Settlement Agreement”); preliminarily certifying the Settlement Class for settlement purposes only; directing Notice to the Settlement Class pursuant to the parties’ proposed Notice Plan; preliminarily appointing the Settlement Class Representatives, Settlement Class Counsel and the Claims Administrator; directing the timing and procedures for any objections to, and requests for exclusion from, the Settlement; setting forth other procedures, filings and deadlines; and scheduling the Final Fairness Hearing; and

WHEREAS, the Court has read and considered the Settlement Agreement and its exhibits, and Plaintiffs’ Unopposed Motion for Preliminary Approval;

NOW, IT IS HEREBY ORDERED THAT:

1. This Order incorporates by reference the definitions in the Settlement Agreement, and all terms used in this Order shall have the same meanings as set forth in the Settlement Agreement.

2. The Court preliminarily approves the Settlement Agreement, and its Settlement terms, as fair, reasonable and adequate under Rule 23, subject to further consideration at the Final Fairness Hearing.

3. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, the Court preliminarily certifies, for settlement purposes only, the following Settlement Class:

All persons and entities who purchased or leased, in the United States or Puerto Rico, specific model year 2014 through 2021 Volkswagen and Audi brand vehicles that are designated individually by Vehicle Identification Number (VIN) in Exhibit 4 to the Settlement Agreement, which were imported and distributed by Defendant Volkswagen Group of America, Inc. for sale or lease in the United States and Puerto Rico (hereinafter “Settlement Class”).

Excluded from the Settlement Class are: (a) all Judges who have presided over the Action and their spouses; (b) all current employees, officers, directors, agents and representatives of Defendants, and their family members; (c) any affiliate, parent or subsidiary of Defendants and any entity in which Defendants have a controlling interest; (d) anyone acting as a used car dealer; (e) anyone who purchased a Settlement Class Vehicle for the purpose of commercial resale; (f) anyone who purchased a Settlement Class Vehicle with salvaged title and/or any insurance company who acquired a Settlement Class Vehicle as a result of a total loss; (g) any insurer of a Settlement Class Vehicle; (i) issuers of extended vehicle warranties and service contracts; (i) any Settlement Class Member who, prior to the date of the Settlement Agreement, settled with and released Defendants or any

Released Parties from any Released Claims; and (j) any Settlement Class Member who files a timely and proper Request for Exclusion from the Settlement Class.

4. The Court preliminarily appoints Matthew D. Schelkopf of Sauder Schelkopf LLC and Bonner C. Walsh of Walsh PLLC as Class Counsel for the Settlement Class.

5. The Court preliminarily appoints Plaintiffs Michael Zhao, Mary Kay Peck and Dean Marriott as Settlement Class Representatives.

6. The Court preliminarily appoints Rust Consulting, Inc. as the Settlement Claim Administrator (“Claim Administrator”).

7. The Court preliminarily finds, solely for purposes of the Settlement, that the Rule 23 criteria for certification of the Settlement Class exists in that: (a) the Settlement Class is so numerous that joinder of all Settlement Class Members in the Action is impracticable; (b) there are questions of law and fact common to the Settlement Class that predominate over any individual questions; (c) the claims of the Settlement Class Representatives are typical of the claims of the Settlement Class; (d) the Settlement Class Representatives and Settlement Class Counsel have and will continue to fairly and adequately represent and protect the interests of the Settlement Class; and (e) a class action is superior to all other available methods for the fair and efficient adjudication of the controversy.

8. In addition, the Court preliminarily finds that certification of the Settlement Class is appropriate when balanced against the risks and delays of further litigation. The proceedings that occurred before the Parties entered into the Settlement Agreement afforded counsel the opportunity to adequately assess the claims and defenses in the Action, the positions, strengths, weaknesses, risks and benefits to each Party, and as such, to negotiate a Settlement Agreement that is fair, reasonable and adequate and reflects those considerations.

9. The Court also preliminarily finds that the Settlement Agreement has been reached as a result of intensive, arm's-length negotiations of disputed claims, including through the use and assistance of an experienced third-party neutral mediator, and that the proposed Settlement is not the result of any collusion.

10. The Court approves the form and content of the Settlement Class Notice (Exhibit 2 to the Settlement Agreement) and the Claim Form (Exhibit 1 to the Settlement Agreement). The Court further finds that the mailing of the Settlement Class Notice, in the manner set forth in the Settlement Agreement, as well as the establishment of a settlement website, satisfies Rule 23, due process, and constitutes the best notice practicable under the circumstances. The Notice Plan set forth in the Settlement Agreement is reasonably calculated to apprise the Settlement Class of the pendency of the Action, the certification of the Settlement Class for settlement purposes only, the terms of the Settlement, its benefits and the Release of Claims, the Settlement Class Members' rights including the right to, and the deadlines and procedures for, requesting exclusion from the Settlement or objecting to the Settlement, Class Counsel's application for Fees and Expenses and/or the application for Settlement Class representative Service Awards, the deadline, procedures and requirements for submitting a Claim for Reimbursement pursuant to the Settlement terms, Class Counsel's application for Fees and Expenses and service awards for the Settlement Class Representatives, the time, place, and right to appear at the Final Fairness hearing, and other pertinent information about the Settlement and the Settlement Class Members' rights. The Court authorizes the Parties to make non-material modifications to the Settlement Class Notice and Claim Form prior to mailing if they jointly agree that any such changes are appropriate.

11. Accordingly, the Court approves, and directs the implementation of, the Notice Plan pursuant to the terms of the Settlement Agreement.

12. The Claim Administrator is directed to perform all settlement administration duties set forth in, and pursuant to the terms and time periods of, the Settlement Agreement, including mailing of the CAFA Notice, implementing and maintaining the Settlement website, disseminating the Class Notice to the Settlement Class, the processing, review and determination of timely submitted and proper Claims for Reimbursement under the Settlement terms, and the submission of any declarations and other materials to counsel and the Court, as well as any other duties required under the Settlement Agreement.

11. The Departments of Motor Vehicles within the United States and its territories are ordered to provide approval to Polk/IHS Markit, or any other company so retained by the parties and/or the Claim Administrator, to release the names and addresses of Settlement Class Members in the Action associated with the titles of the Vehicle Identification Numbers at issue in the Action for the purposes of disseminating the Settlement Class Notice to the Settlement Class Members. Polk/IHS Markit, or any other company so retained by the parties, is ordered to license, pursuant to agreement between Defendant and Polk/IHS Markit or such other company, and/or the Claim Administrator and Polk/IHS Markit or such other company, the Settlement Class Members' contact information to the Claim Administrator and/or Defendant solely for the use of providing Settlement Class Notice in the Action and for no other purpose.

12. Any Settlement Class Member who wishes to be excluded from the Settlement Class must mail, by first-class mail postmarked no later than forty-five (45) days after the Notice Date, a written request for exclusion ("Request for Exclusion") to (a) the Claim Administrator at the address specified in the Class Notice; (b) Matthew D. Schelkopf, Esq., Sauder Schelkopf LLC, 1109 Lancaster Avenue, Berwyn, PA 19312 on behalf of Class Counsel; and (c) Michael B.

Gallub, Esq., Herzfeld & Rubin, P.C., 125 Broad Street, New York, NY 10004 on behalf of Defendant. To be effective, the Request for Exclusion must:

- a. Include the Settlement Class Member's full name, address and telephone number, and identify the model, model year and VIN of the Settlement Class Vehicle;
- b. State that he/she/it is or was a present or former owner or lessee of a Settlement Class Vehicle; and
- c. Specifically and unambiguously state his/her/their/its desire to be excluded from the Settlement Class.

13. Any Settlement Class Member who fails to submit a timely and complete Request for Exclusion sent to the proper addresses shall remain in the Settlement Class and shall be subject to and bound by all determinations, orders and judgments in the Action concerning the Settlement, including but not limited to the Released Claims set forth in the Settlement Agreement.

14. Any Settlement Class Member who has not submitted a Request for Exclusion may object to the fairness of the Settlement Agreement and/or the requested amount of Class Counsel Fees and Expenses and/or Settlement Class Representative service awards.

- a. To object, a Settlement Class Member must either: (i) file the objection, together with any supporting briefs and/or documents, with the Court in person or via the Court's electronic filing system within forty-five (45) days of the Notice Date; or (ii) mail, via first-class mail postmarked within forty-five (45) days of the Notice Date, the objection, together with any supporting briefs and/or documents, to each of the following: the Clerk's Office of the United States District Court, District of New Jersey, 4015 Martin Luther King Jr. Federal Building and United States Courthouse, 50 Walnut Street, Newark,

New Jersey 07102; Sauder Schelkopf LLC, 1109 Lancaster Avenue, Berwyn, PA 19312 on behalf of Class Counsel; and Michael B. Gallub, Herzfeld & Rubin, P.C., 125 Broad Street, New York, New York 10004 on behalf of Defendant.

- b. Any objecting Settlement Class Member must include the following with his/her/their/its objection: (i) the objector's full name, address, and telephone number; (ii) the model, model year and Vehicle Identification Number of the Settlement Class Vehicle, along with proof that the objector has owned or leased the Settlement Class Vehicle (i.e., a true copy of a vehicle title, registration, or license receipt); (iii) a written statement of all grounds for the objection accompanied by any legal support for such objection; (iv) copies of any papers, briefs, or other documents upon which the objection is based and are pertinent to the objection; (v) the name, address and telephone number of any counsel representing said objector; (vi) a statement of whether the objecting Settlement Class Member intends to appear at the Final Approval Hearing, either with or without counsel, and the identity(ies) of any counsel who will appear on behalf of the Settlement Class Member objection at the Final Approval Hearing; and (vii) a list of all other objections submitted by the objector, or the objector's counsel, to any class action settlements submitted in any court in the United States in the previous five (5) years, including the full case name, the jurisdiction in which it was filed and the docket number. If the Settlement Class Member or his/her/its counsel has not objected to any other class action settlement in the United States in the previous five (5) years, he/she/they/it shall affirmatively so state in the objection.

- c. Subject to the approval of the Court, any Settlement Class Member who has properly filed a timely objection may appear, in person or by counsel, at the Final Fairness Hearing to explain why the proposed Settlement should not be approved as fair, reasonable and adequate, or to object to any motion for Class Counsel Fees and Expenses or Settlement Class Representative service awards. In order to appear, any Settlement Class Member must, no later than the objection deadline, file with the Clerk of the Court and serve upon all counsel designated in the Class Notice, a Notice of Intention to Appear at the Final Fairness Hearing. The Notice of Intention to Appear must include copies of any papers, exhibits or other evidence and the identity of all witnesses that the objecting Settlement Class Member (or the objecting Settlement Class Member's counsel) intends to present to the Court in connection with the Final Fairness Hearing. Any Settlement Class Member who does not provide a Notice of Intention to Appear in accordance with the deadline and other requirements set forth in this Order and the Class Notice shall be deemed to have waived any right to appear, in person or by counsel, at the Final Fairness Hearing.
 - d. Any Settlement Class Member who has not properly filed a timely objection in accordance with the deadline and requirements set forth in this Order and the Class Notice shall be deemed to have waived any objections to the Settlement and any adjudication or review of the Settlement Agreement by appeal or otherwise.
15. In the event the Settlement is not granted final approval by the Court, or for any reason the parties fail to obtain a Final Order and Judgment as

contemplated in the Settlement Agreement, or the Settlement is terminated pursuant to its terms for any reason, then the following shall apply:

- a. All orders and findings entered in connection with the Settlement shall become null and void and have no further force and effect, shall not be used or referred to for any purposes whatsoever, and shall not be admissible or discoverable in this or any other proceeding, judicial or otherwise;
- b. All of the Parties' respective pre-Settlement claims, defenses and procedural rights will be preserved, and the parties will be restored to their positions *status quo ante*;
- c. Nothing contained in this Order is, or may be construed as, any admission or concession by or against Defendant, Released Parties or Plaintiffs on any allegation, claim, defense, or point of fact or law in connection with this Action;
- d. Neither the Settlement terms nor any publicly disseminated information regarding the Settlement, including, without limitation, the Class Notice, court filings, orders and public statements, may be used as evidence in this or any other proceeding, judicial or otherwise; and
- e. The preliminary certification of the Settlement Class pursuant to this Order shall be vacated automatically, and the Action shall proceed as though the Settlement Class had never been preliminarily certified.

16. Pending the Final Fairness Hearing and the Court's decision whether to grant final approval of the Settlement, no Settlement Class Member, either directly, representatively, or in any other capacity (including those Settlement Class Members who filed Requests for Exclusion from the Settlement which have not yet been reviewed and approved by the Court at the Final Fairness Hearing),

shall commence, prosecute, continue to prosecute, or participate in, against any of the Released Parties, any action or proceeding in any court or tribunal (judicial, administrative or otherwise) asserting any of the matters, claims or causes of action that are to be released in the Settlement Agreement. Pursuant to 28 U.S.C. § 1651(a) and 2283, the Court finds that issuance of this preliminary injunction is necessary and appropriate in aid of the Court's continuing jurisdiction and authority over the Action.

17. Pending the Final Fairness Hearing and any further determination thereof, this Court shall maintain continuing jurisdiction over these Settlement proceedings.

18. Based on the foregoing, the Court sets the following schedule, below, for the Final Fairness Hearing and the actions which must precede it. If any deadline set forth in this Order falls on a weekend or federal holiday, then such deadline shall extend to the next business day. These deadlines may be extended by order of the Court, for good cause shown, without further notice to the Class. Settlement Class Members must check the Settlement website regularly for updates and further details regarding this Settlement:

Event	Deadline Pursuant to Settlement Agreement
Notice shall be mailed in accordance with the Notice Plan and this Order	_____ [100-days after issuance of Preliminary Approval Order]
Class Counsel's Fee and Expense Application and request for service awards for Plaintiffs-Settlement Class Representatives	_____ [124-days after issuance of Preliminary Approval Order]

Objections to the Settlement, Class Counsel's Fee and Expense Application, and/or the request for Settlement Class Representative service awards	_____ [145-days after issuance of Preliminary Approval Order; 45-days after the Notice Date]
Requests for Exclusion from the Settlement	_____ [145-days after issuance of Preliminary Approval Order; 45-days after the Notice Date]
Plaintiffs' Motion for Final Approval of the Settlement	_____ [150-days after issuance of Preliminary Approval Order; 50-days after the Notice Date]
Claim Administrator shall submit a declaration to the Court(i) reporting the names of all persons and entities that submitted timely and proper Requests for Exclusion; and (ii) attesting that Notice was disseminated in accordance with the Settlement Agreement and this Preliminary Approval Order.	_____ [150-days after issuance of Preliminary Approval Order; 50-days after the Notice Date]
Responses of Any Party to timely filed Objections to the Settlement and/or Fee and Expense Application, and any Requests for Exclusion	_____ [168-days after issuance of Preliminary Approval Order; 68-days after the Notice Date]
Any submissions by Defendants concerning Final Approval of Settlement	_____ [168-days after issuance of Preliminary Approval Order; 68-days after the Notice Date]
Final Fairness Hearing will be held at Martin Luther King Building & U.S. Courthouse,	_____ [175-days after issuance of Preliminary Approval Order; 25-days

Courtroom MLK 4A, 50 Walnut St., Newark, NJ 07102 or by video conference as determined by the Court	after Plaintiffs' filing of Final Approval Motion]
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SO-ORDERED:

Date: _____

Honorable Madeline Cox Arleo
United States District Judge

EXHIBIT 4

To be submitted upon request and under seal to protect the vehicle identification numbers ("VIN") of the Settlement Class. The full VIN list is over 4,500 pages when listing approximately 500 VINs per page.