

# Exhibit 4

# Class Claims Program and Administration

## CLASS CLAIMS PROGRAM AND ADMINISTRATION

**The Claims Program for Class Members.** Class Members will have until **September 1, 2018**, to submit a complete and valid Claim, and until **December 30, 2018**, to obtain their chosen remedy. Class Members may begin providing required information and documentation beginning on the date of Preliminary Approval, but Claims cannot be considered submitted, and no offer can be made, unless and until the Court enters the Final Approval Order. Class Members who are Eligible Sellers are required to identify themselves within 45 days of Preliminary Approval by online registration, mail, or fax, as set out in Section 7 below.

The Claims Process is designed to provide Class Members with the time they need to consider their options, and the information they need to assess the pros and cons of those options.

The Claims Process will take place in five steps, summarized here.

- At **Step 1**, based on information they provide to Volkswagen online or by telephone, Class Members will obtain information about their available options. During the Claims Process, Class Members can proceed at their chosen pace. For example, if a Class Member is certain he or she would like a Buyback, he or she can immediately proceed to submitting the required documentation in Step 2 below. If a Class Member wishes to take time to consider his or her options further before proceeding, he or she can pause the Claims Process at Step 1, with the understanding that he or she will need to submit a complete and valid Claim by September 1, 2018.
- At **Step 2**, once a Class Member is ready to proceed with the Claims Process, the Class Member will submit a Claim Form that contains certain information about his or her Eligible Vehicle along with required documentation, which varies depending on the remedy selected. Because the remedies require different documentation to be submitted, the Claim Form will prompt the Class Member to make an initial non-binding remedy selection that can later be changed, as described below.
- At **Step 3**, the Class Member's eligibility or ineligibility to participate in the Class Action Settlement will be determined. Class Members who are eligible will be deemed Claimants under the Claims Process. An offer will be made to eligible Claimants.
- At **Step 4**, Claimants will confirm their selection of an offered remedy, accept their formal offer, and schedule an appointment at their preferred Volkswagen or Audi Dealer (if necessary). If Claimants have changed their mind about which remedy they want, they can go back to Step 1 and choose a different remedy. Such changes will affect how quickly a remedy can be obtained.
- At **Step 5**, Claimants will obtain their chosen remedy. Current owners or lessees will (i) sell or surrender their vehicle to Volkswagen, or (ii) if they elect an Approved Emissions Modification (when it becomes available), have their car's emissions system modified by Volkswagen free of charge. Class Members will also receive a Restitution

Payment, as described in Exhibit 1 of the Class Action Agreement.

### **Details About the Steps of the Claims Process**

1. **STEP 1: Obtaining Information About Available Remedies.** As part of the Claims Process, Class Members will receive information about the remedies available to them and the amount of compensation that they can expect to receive. This information will remain available throughout the Claims Program on the Settlement Website and by telephone. Class Members can take their time to consider that information, but must submit a valid and complete Claim by September 1, 2018.
  - a. **Obtaining Information electronically Via the Settlement Website (Preferred).** Class Members who wish to receive general email updates about the Class Action Settlement may sign up through the Settlement Website by providing the following information: (i) Vehicle Identification Number (VIN), (ii) Class Member's name, (iii) email address, and (iv) zip code. Class Members who would like specific information about which remedies may be available to them can register in the Online Claims Portal available through the Settlement Website. The Claims Portal will be accessible after the Court grants Preliminary Approval of the Class Action Settlement.

Online registration, which is expected to make the process of submitting a Claim easier and faster, will require the Class Member to provide information verifying his or her identity and establishing his or her eligibility to participate in the program, including, but not limited to, (i) the Class Member's name; (ii) contact information, including email, mailing address, and phone number; (iii) address of vehicle registration; (iv) Vehicle Identification Number (VIN); (v) vehicle mileage (if the Class Member is a current owner or lessee); and (vi) information regarding vehicle financing (if the Class Member is a current owner or lessee). After the Class Member has registered, the Claims Portal will generate individualized preliminary offers for that Class Member. If the Class Member is an Eligible Owner, the Claims Portal will display preliminary offers for (1) the Class Member's estimated Vehicle Value plus that Class Member's Owner Restitution Payment, or (2) an Approved Emissions Modification (if available) plus that Class Member's Owner Restitution Payment. If the Class Member is a current Eligible Lessee with an active lease, the Claims Portal will display preliminary offers for (1) a Lease Termination plus that Class Member's Lessee Restitution Payment or (2) an Approved Emissions Modification (if available) plus that Class Member's Lessee Restitution Payment. If the Class Member is an Eligible Seller, the Claims Portal will display a preliminary offer for that Class Member's Seller Restitution Payment. If the Class Member is an Eligible Lessee who no longer has an active lease and does not own the Eligible Vehicle, the Claims Portal will display an offer for that Eligible Lessee's Lessee Restitution Payment, or, if the Eligible Lessee owns an Eligible Vehicle, the Claims Portal will display an offer for an Approved Emissions Modification (if available) and that individual's Lessee Restitution Payment. The offers displayed may later

change based on the circumstances set forth in Exhibit 1 to the Class Action Agreement, including if an Eligible Owner qualifies for Loan Forgiveness or if the Eligible Vehicle's mileage differs from the estimated amount and requires adjusting.

At this time (and at any other time prior to obtaining a remedy), the Class Member may pause to consider his or her options or wait until more information about an Approved Emissions Modification becomes available. Class Members should bear in mind, however, that they must file a complete and valid Claim prior to September 1, 2018.

- b. **Obtaining Information over the Phone.** Class Members may also obtain information about their available remedies over the phone by calling 1-844-98-CLAIM. Class Members who wish to learn about their available options over the phone will not need to register, but will need to provide the same information that they would be required to provide through the Claims Portal on the Settlement Website.
2. **STEP 2: Submitting a Claim.** The next step is to submit a Claim. At this step, Class Members will provide additional information and documentation and make a preliminary (non-binding) selection of remedy, which can be changed at any point prior to Step 4. Class Members have three different options for submitting a Claim to participate in the Class Action Settlement: online, by fax, or by mail. Class Members who submit a Claim online will receive a Claim Number once they register on the Claims Portal. Class Members who submit a Claim by fax or mail will receive a Claim Number once their Claim is received.

  - a. **Class Members Have Three Options for Submitting a Claim.**

    - i. **Option One (Preferred) – Submit a Claim electronically Via the Online Claims Portal.** Class Members who have registered in the Claims Portal may submit an online Claim Form. To do so, the Class Member will upload required information or documentation based on their preliminary, non-binding remedy selection, including, but not limited to, a driver's license or other government-issued identification, the dates the Class Member owned or leased the Eligible Vehicle, proof of ownership including title (if applicable), current vehicle registration (if applicable), the lease contract (if applicable), and financing or lease information, including financial consent forms (if applicable). The Claims Supervisor may require additional documentation to verify eligibility, including if the Class Member is an Eligible Seller
    - ii. **Option Two – Submit a Claim Via Fax.** Class Members may submit a Claim to participate in the Settlement by completing a paper Claim Form and submitting it by fax along with all required documentation. The paper

Claim Form will require the same information and documentation as the online Claim Form and will be submitted by fax (1-248-754-6602).

- iii. **Option Three – Submit a Claim Via U.S. Mail.** Class Members may submit a Claim to participate in the Settlement by completing a paper Claim Form and submitting it by mail along with all required documentation (VW Court Settlement Claims Processing, P.O. Box 214500, Auburn Hills, MI, 48326). The paper Claim Form will require the same information and documentation as the Online Claim Form and will be submitted by mail.
  - b. **Exception Processing by Claims Supervisor.** The Claims Supervisor will determine the required documentation for non-standard Class Members, including, but not limited to, military personnel serving overseas, decedent estates, divorce, bankruptcy, stolen vehicles and payment of child support and family or attorney liens.
3. **STEP 3: Verification by Claims Supervisor.** Based on information and documents collected from Class Members by Volkswagen, the Claims Supervisor will review and verify the determination of the Class Member’s eligibility (or ineligibility) to participate in the Class Action Settlement Program. Once a Class Member is verified as eligible, the Class Member becomes a “Claimant” in the Class Action Settlement. The Claims Supervisor will review documentation, verify the Claimant’s Vehicle Value, Restitution Payment, and/or Loan Forgiveness, as applicable, and validate the formal offer to the Claimant.
4. **STEP 4: Acceptance of Formal Offer and Scheduling Remedy**
  - a. **Formal Offer.** Claimants whose eligibility has been verified will be sent a formal offer. Claimants who submitted a Claim online will receive their formal offer through the Claims Portal and, if they so choose, by email. Claimants who submitted a Claim by mail or fax will receive their notification and formal offer by mail or, if they so choose, by email.
  - b. **Accepting the Offer or Selecting a Different Remedy.** Once a formal offer is extended, Claimants may confirm their remedy selection and accept the offer through the Claims Portal (if they submitted their Claim online) or by submitting a paper acceptance form (if they submitted their Claim by fax or mail). To accept an offer, a Claimant will be required to execute an Individual Release, as set forth in Section 9.7. **As set forth in the Individual Release, this Release will become effective and binding when the Class Member receives a benefit under the Class Action Agreement.**

After a formal offer is made, Claimants may defer final selection of their chosen remedy or even select a different remedy, if available. For example, if an Approved Emissions Modification is not yet available for a Claimant’s Eligible Vehicle, that Claimant can wait and receive further updates before formally

accepting an offer of a remedy. Claimants eligible for a Buyback, Lease Termination, or Approved Emissions Modification will have the ability to change their remedy selection until Step 4 is completed, even if they have accepted a formal offer. This may require the Claimant to submit additional documentation to verify eligibility to receive the alternative remedy. As noted previously, although Claimants can preserve their options, they should be aware that the deadline for submitting a complete and valid claim is **September 1, 2018**.

- c. **Scheduling.** For Claimants who currently own or lease an Eligible Vehicle, a visit to the Claimant's preferred Volkswagen or Audi Dealer will be required to complete the remedy and must be scheduled in advance with Volkswagen. Appointments for a Buyback or Approved Emissions Modification will be available within 90 days of a Claimant's acceptance of a formal offer and scheduling of an appointment. Appointments for a Lease Termination will be available within 45 days of acceptance and scheduling of an appointment. When the ability to schedule an appointment to obtain the selected remedy becomes available, the Claimant will be notified via the Claims Portal, email and/or U.S. mail, depending on the Claimant's stated preference. The Claimant may then schedule an appointment (online via the Claims Portal) or directly over the phone with his or her preferred Volkswagen or Audi Dealer. Where applicable, Claimants may either (1) defer their final election between the Buyback, Lease Termination, and Approved Emissions Modification Options until such time as an Approved Emissions Modification is approved or rejected by environmental regulators, or (2) opt to schedule a visit to the Volkswagen or Audi Dealer to complete the Buyback or Lease Termination, as applicable, and to arrange to complete their transaction, the completion of which will trigger Restitution Payments as appropriate.
- d. **Buyback and Lease Termination Scheduling.** Appointments for Buybacks and Lease Terminations will be scheduled on a first-come, first-served basis. Claimants who have elected the Buyback or Lease Termination Option will be able to schedule online, or by telephone, an appointment with Volkswagen to take their Eligible Vehicles to their preferred Volkswagen or Audi Dealer for the settlement. Although the Buyback or Lease Termination will take place at a Volkswagen or Audi Dealer, the appointments must be scheduled either online through the Claims Portal or via phone at 844-98-CLAIM. Volkswagen and Audi Dealers will not be able to schedule appointments directly with Claimants for a Buyback or Lease Termination. If the Eligible Vehicle is under an outstanding loan obligation, Volkswagen will communicate with the Claimant's bank in advance of a Buyback, pursuant to a written consent form executed by the Claimant, to determine payoff amounts for any loans. Note that Claimants electing Lease Terminations also will have to follow the end of lease process per the terms of the Lease Agreement one week prior to Step 5, when the Eligible Vehicle is surrendered.

- e. **Approved Emissions Modification Scheduling.** When and if Volkswagen receives approval from the EPA and CARB to implement an Approved Emissions Modification on any class of Eligible Vehicles, the Notice Administrator will send a VW Class Update to Class Members who have not already received a Buyback or Lease Termination. The Class Members will be informed that they may schedule an appointment to bring their Eligible Vehicles to a Dealership for an Approved Emissions Modification. Upon receipt of this notice, Claimants who have already selected—but have not yet received—other compensation can still elect to have an Approved Emissions Modification performed on their vehicle instead. Claimants may schedule their Approved Emissions Modification online or by telephone with their preferred Volkswagen or Audi Dealer, as applicable. Unlike the Buyback or Lease Termination appointments, appointments to obtain an Approved Emissions Modification will be scheduled with the preferred Volkswagen or Audi Dealer directly. A link to the preferred Volkswagen or Audi Dealer’s schedule tool will be provided to Claimants through the Claims Portal, or Claimants can call the Volkswagen or Audi Dealer directly to set up an appointment. Because Eligible Vehicles with Generation 3 engines will need to receive an Approved Emissions Modification in two stages, Claimants with these vehicles will need to schedule two appointments.
  - f. **Payment Method Preference Selection.** When submitting a claim, Claimants can provide details to enable Volkswagen to send Restitution Payments via electronic fund transfers. Alternatively, Claimants may indicate a preference for payment by check. (Claimants filing paper Claim Forms via U.S. mail will include their payment preference in a section on offer acceptance and Individual Release.)
5. **STEP 5: Obtaining a Remedy.** Claimant will complete their remedy transaction and receive compensation in accordance with Exhibit 1.
- a. **Closing Documents.** Claimants who opt for a Buyback or Lease Termination will need to complete a package of required documents (including an Individual Release). Claimants who have filed Claims electronically will be able to access the package of required documents on the Claims Portal. For Claimants who have filed by mail or fax, a package of closing documents will be mailed to them in advance of their appointments. Claimants will provide the required documents at the time of their appointment.
  - b. **Buyback or Lease Termination.** On the appointed day, Claimants will meet with a “Settlement Specialist” acting on behalf of Volkswagen at the Volkswagen or Audi Dealer to complete the Buyback or Lease Termination. The Settlement Specialist will verify the identity of the Claimant and Eligible Vehicle, capture the current mileage on the Eligible Vehicle, collect necessary documentation, take possession of the Eligible Vehicle, and trigger payment to the Claimant (and lenders, if applicable) of any amount due. In certain circumstances detailed in Exhibit 1, Claimant may be required to deliver a cashier’s check to the Settlement

Specialist at the time of Buyback or Lease Termination. Class Members electing the Lease Termination option will need to comply with lease terms concerning mileage and condition verification prior to termination.

- c. **Approved Emissions Modification.** When and if an Approved Emissions Modification is available and scheduled, Claimants who opt for the Approved Emissions Modification will bring their Eligible Vehicles to their preferred Volkswagen or Audi Dealer to obtain the Approved Emissions Modification at Volkswagen's expense. For service lasting longer than three hours, a loaner car will be made available free of charge to Claimants who reserve a loaner when scheduling their appointment. Upon completion of the Approved Emissions Modification, the Claimant will provide their Claim Number and verification of identity to a "Program Ambassador" at the Volkswagen or Audi Dealer. The Volkswagen or Audi Dealer will then provide confirmation to Volkswagen that the Approved Emissions Modification has been completed, which will trigger the Restitution Payment process.
- d. **Payments.** Buyback and Restitution Payments will be made by electronic fund transfer or by check according to the preference expressed by each Claimant.
  - i. **Electronic Fund Transfer.** An electronic fund transfer will be submitted within three banking days of completion of the Claims Process by virtue of, as applicable, (i) sale or surrender of the Eligible Vehicle; (ii) completion of an Approved Emissions Modification (if available) following the steps described above; or (iii) for Eligible Sellers and Eligible Lessees who no longer own or lease an Eligible Vehicle, acceptance of an offer.
  - ii. **Check.** For Claimants who do not require an appointment to complete their remedy, a check will be sent by mail within three banking days. For Claimants who opt for a Buyback or Lease Termination, a check for the full amount due will be available at the Dealership, unless a mileage adjustment is required. If an upward mileage adjustment is required (resulting in a lower payment), the Claimant will not receive a check at the Volkswagen or Audi Dealer, but will be sent a check within three banking days. If a downward mileage adjustment is required (resulting in a higher payment), the Claimant will receive a check at the Volkswagen or Audi Dealer that does not reflect the mileage adjustment and will be mailed an additional check within three banking days for the additional amount due as a result of the downward mileage adjustment.

Claimants that elect an Approved Emissions Modification will have a check mailed to them within three banking days of the completed Approved Emissions Modification.



- iii. **Two-Step Emissions Modification.** Claimants with Eligible Vehicles with Generation 3 engines will receive two payments: (1) a payment for 2/3 of the Restitution Payment upon completion of the first stage; and (2) a payment for 1/3 of the Restitution Payment upon completion of the second stage, plus a free oil change and filters.
      - iv. **Receipt.** Claimants will be issued a receipt at the conclusion of their appointment at the Volkswagen or Audi Dealer, indicating that they surrendered their Eligible Vehicle or had the Approved Emissions Modification completed on their Eligible Vehicle and providing specific information about exactly when and where their compensation will be received, as well as whom to call if it is not timely received.
  6. **Contested Claims Review by Claims Review Committee.** If a Claimant or a purported Claimant contests the eligibility decision or whether compensation was accurately calculated pursuant to Exhibit 1, that Claimant may appeal the contested decision to the Claims Review Committee by completing and mailing the requisite form to VW Court Settlement, Attn: Contested Claim, P.O. Box 214500, Auburn Hills, MI, 48326. Determinations by the Claims Review Committee will constitute final determinations.
  7. **Claim Period.** The Claim Period, as defined in paragraph 2.11 of the Class Action Agreement, shall run from the date of the Final Approval Order, if entered, until December 30, 2018. Class Members may begin registering and submitting required documentation through the Claims Portal beginning on the date of Preliminary Approval, but Claims will not be considered submitted until the Court enters the Final Approval Order. Class Members must submit a complete and valid Claim, including all information and documentation necessary to establish eligibility by no later than September 1, 2018, and must accept a formal offer and, if necessary, visit a Volkswagen or Audi Dealer to obtain their remedy by no later than December 30, 2018.
    - a. **Identification of Eligible Sellers.** In order to obtain benefits under the Class Action Settlement, Eligible Sellers must identify themselves during the Eligible Seller Identification Period by (a) electronic registration on the Settlement Website or (b) submission of an Eligible Seller identification form by mail or fax. The Eligible Seller Identification Period will last at least 45 days from entry of the Preliminary Approval Order. If the Court enters the Preliminary Approval Order on July 26, 2016 (the date of the preliminary approval hearing), the Eligible Seller Identification Period will run until September 16, 2016.