

VWoA Compliance

Subject: 3.0L TDI Trade-In Issue Resolution

From: Audi Communications

Sent: Friday, August 04, 2017 6:31 AM

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Dealer Communication



From: Audi Operations

3.0L TDI Trade-In Issue Resolution

Dear Dealer Partners,

Over the past several weeks we have seen a tremendous response to the Trade-In option offered under the 3.0L TDI Settlement Agreement. While the majority of these transactions have closed successfully without issue, there are instances where we have been unable to approve a claim due to issues surrounding the documentation. We'd like to take this opportunity to identify some common issues, provide recommended resolutions, as well as remind everyone of the training resources available to ensure proper compliance.

Common Issues:

- Missing Documentation:** As per the program rules, dealers are required to upload a copy of the following documents in the TDI IN-FORM tool:
 - Copy of Executed Sales Agreement and or Bill of Sales** properly disclosing the Trade-In credit
 - Copy of **Executed Odometer Disclosure Statement**
 - Copy of **Executed Trade-In Certificate** printed by the Settlement Specialist at time of appointment
 - Documents not included at time of closing in the IN-FORM tool can be submitted via email to TDIDealerTradeIn@vwgoa.com. Please ensure the Claim number and document type for the claim are listed in the subject line; example "Odometer Statement – Claim# 1234567."
- Incorrect Disclosure of Trade-In Values on Sales Agreement and/or Bill of sale:** Due to terms under the 3.0L TDI Settlement Agreement, the financial disclosures of the Trade-In Credit are very specific. The [attached example](#) provides a visual example of how to properly disclose the financials from the Trade-In Certificate on a Bill of Sale. The most important aspects are:
 - The Full Trade-In Credit on the Trade-In Certificate (the combination of the Vehicle Return Amount and Additional Restitution Payment) should be reflected as the Trade-In Allowance on the Sales Agreement and/or Bill of Sale

- b. If the customer has an outstanding loan, it is the Dealer's responsibility to acquire the most up-to-date loan payoff amount and disclose as such on the Sales Agreement and/or Bill of Sale. The amount listed on the Trade-In Certificate is only an estimate and VWGoA does not warrant the validity of this value at time of Trade-In appointment
3. **Trade-In Credit in excess of Vehicle Purchase or Partial application of Trade-In Credit:**
- a. In the event the Trade-In Credit exceeds the new vehicle purchase price, the Dealer is responsible for issuing a check (or other form of agreed upon payment) to the customer for the difference. The Dealer must ensure this is captured within the Sales Agreement and/or Bill of Sale, and must provide a copy of the check (or proof of payment) issued to the customer.
 - b. The partial application of the Trade-In Credit towards the purchase of new vehicle is not permissible, as the full value of the Trade-In Credit must be disclosed on the agreement and most lending institutions will not allow for the disclosure of any "cash due to customer" or negative cash due to be listed on the contract. If a customer does not wish to use the full value of their Trade-In credit it is recommended that they switch to a Buyback transaction type.

Resources for additional information: Links to additional information can be found below or under the 3.0L Section of the TDI Dealer Settlement Portal accessed from iAudi.

1. [Trade-In Video Example](#): Brief video example of from start to finish of a Trade-In transaction
2. [Trade-In Job Aid](#): Reference guide on how to properly conduct a Trade-In under the 3.0L TDI Settlement
3. [Trade-In Program Rules](#): Original program rules outlining the responsibilities and process of the Dealer in the Trade-in transaction
4. [Trade-In Additional Clarifications](#): Document clarifying certain terms and conditions outline within the original Dealer Trade-In Agreement.

If you have additional questions regarding the Trade-In process, or to check the status of outstanding claims, please contact the TDI Dealer Support Team at [844-357-7778](tel:844-357-7778).

Sincerely,

TDI Dealer Communications Team

cc: All Dealer Principals, General Managers, and Sales Managers

Please click [here](#) for the official Audi Dealer Communication.

For more dealer communications, visit the [Communications](#) page on iAudi.