VWoA Compliance

Subject: TDI Settlement Update - 2.0L Gen3 Sale Readiness

Importance: High

From: Audi Communications

Sent: Thursday, March 30, 2017 6:18 PM

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Dealer Communication



From: Audi Operations

TDI Settlement Update - 2.0L Gen3 Sale Readiness

Dear Dealer Partners,

We are excited to share with you that we have secured regulatory authorization to begin sales of MY15 vehicles that have undergone an Approved Emissions Modification. This marks an important milestone in this program and we know that you will share in our excitement to start selling again!

While we are as eager as you are to begin selling cars, there will be a few critical steps that must be completed first.

A key element of our plan to resell these vehicles is ensuring that all vehicles have received an Approved Emissions Modification, are labeled properly, and customers are informed of any subsequent modifications/service required on the vehicle they are purchasing.

We will provide further details for the resale of MY15 new dealer stock vehicles and buyback vehicles next week, and in the coming weeks you should be on the lookout for four key communications:

- 1. <u>Technical Bulletin</u> addressing specific actions that must be performed along with the completion of the modification in the validation tool
- 2. <u>Disclosure and Compliance Letter</u> accompanying replacement Monroney stickers, Supplemental Window stickers, and other required point of sale materials
- 3. <u>Warranty Circular</u> addressing the allowances that are provided to bring these vehicles into "sales ready" condition
- 4. <u>Incentive Bulletin</u> detailing a retail support program to help sell these cars quickly

Once the 138 new dealer stock vehicles have been on sale for a period of time, we will begin to make buyback vehicles available for purchase. These vehicles will be offered for sale under the conditions previously communicated (grounding dealer retains right of first refusal, purchase of a vehicle carries the responsibility of conducting the AEM and all service & parts revenue therein, an exclusive TDI remarketing portal with integrated payment and paperwork process, and more).

As always, we appreciate your continued support, effort and partnership through this process.

Audi Operations

Please click here to see the official Audi Dealer communication posted to iAudi.

For more dealer communications, visit the **Communications** page on iAudi.