



JAN 0 6 2017

VIA CERTIFIED MAIL AND ELECTRONIC MAIL

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

Audi AG
Auto-Union Straße 1
85045 Ingolstadt, Germany
Attention: Company Secretary

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

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

Robert J. Giuffra, Jr.
Sharon L. Nelles
Sullivan & Cromwell LLP
125 Broad Street
New York, New York 10004
giuffrar@sullcrom.com
nelless@sullcrom.com

**Re: Approved Emissions Modification: Test Group FVGAV02.0VAL of 2.0 Liter
Subject Vehicles Covering Model Year 2015 Volkswagen Beetle, Beetle Convertible,
Golf, Golf SportWagen, Jetta, Passat, and Audi A3 Diesel Vehicles**

To Whom It May Concern:

Appendix B of the 2.0 liter (2.0L) Partial Consent Decree¹ entered on October 25, 2016 establishes how Settling Defendants shall submit Proposed Emissions Modifications, and how the United States Environmental Protection Agency (EPA) and the California Air Resources

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

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

Board (CARB) will approve or disapprove any such proposal that Settling Defendants choose to submit. Although the 2.0L Partial Consent Decree was entered on October 25, 2016, the EPA and CARB have been working with Settling Defendants for many months prior to this date to evaluate a potential remedy to reduce the NOx pollution from these vehicles. Over these months Settling Defendants have provided, and the agencies have reviewed, a significant amount of files, data, and materials in support of a Proposed Emissions Modification for Test Group FVGAV02.0VAL of the 2.0L Subject Vehicles covering model year 2015 Volkswagen Beetle, Beetle Convertible, Golf, Golf SportWagen, Jetta, and Passat diesel vehicles, and model year 2015 Audi A3 diesel vehicles.

After thoroughly reviewing these materials, including examining and evaluating test data, software descriptions and files, onboard diagnostic system functionality, durability demonstration results, auxiliary emission control device (AECD) descriptions, consumer disclosures, extended warranty plans, and various statements of compliance therein; and after conducting our own extensive testing of eight vehicles equipped with the Proposed Emissions Modification; and based upon the certifications of the Settling Defendants that the materials submitted are true, correct and complete, the EPA and CARB have determined that the Proposed Emissions Modification as described by the entirety of Settling Defendants’ submissions satisfies the terms and conditions set forth in Appendix B of the 2.0L Partial Consent Decree. Thus, the EPA and CARB hereby approve Settling Defendants’ Proposed Emissions Modification for Test Group FVGAV02.0VAL of the 2.0 Liter Subject Vehicles.²

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

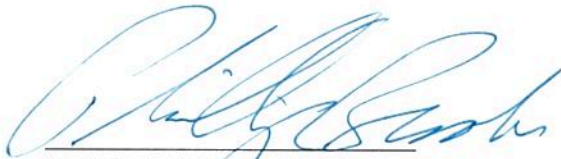
Settling Defendants shall, within ten days of the date of this Conditional Approval, provide all Eligible Owners and Eligible Lessees with notice that the Emissions Modification for Test Group FVGAV02.0VAL of the 2.0 Liter Subject Vehicles is available, pursuant to the terms, and in accordance with the requirements of Appendix A and Appendix B of the 2.0L Partial Consent Decree.

² Covering model year 2015 Volkswagen Beetle, Beetle Convertible, Golf, Golf SportWagen, Jetta, and Passat diesel vehicles, and model year 2015 Audi A3 diesel vehicles.

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

**Approved Emissions Modification: Test Group FVGAV02.0VAL of 2.0 Liter Subject
Vehicles Covering Model Year 2015 Volkswagen Beetle, Beetle Convertible, Golf, Golf
SportWagen, Jetta, Passat, and Audi A3 Diesel Vehicles**

FOR THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY



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



Byron Bunker, Director
Compliance Division
Office of Transportation and Air Quality
U.S. Environmental Protection Agency

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

Approved Emissions Modification: Test Group FVGAV02.0VAL of 2.0 Liter Subject Vehicles Covering Model Year 2015 Volkswagen Beetle, Beetle Convertible, Golf, Golf SportWagen, Jetta, Passat, and Audi A3 Diesel Vehicles

FOR THE CALIFORNIA AIR RESOURCES BOARD



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



Todd Sax, Chief
Enforcement Division
California Air Resources Board

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

cc:

EES Case Management Unit
Environment and Natural Resources Division
U.S. Department of Justice
P.O. Box 7611
Washington, D.C. 20044-7611
Re: DJ # 90-5-2-1-11386
eesdcopy.enrd@usdoj.gov

Chief Counsel
California Air Resources Board
Legal Office
1001 I Street
Sacramento, California 95814
Alexandra.Kamel@arb.ca.gov
Ellen.Peter@arb.ca.gov

Senior Assistant Attorney General
Consumer Law Section
California Department of Justice
455 Golden Gate Ave., Suite 11000
San Francisco, CA 94102-7004
nicklas.akers@doj.ca.gov
judith.fiorentini@doj.ca.gov
david.zonana@doj.ca.gov

Senior Assistant Attorney General
Environment Section
Office of the Attorney General
P.O. Box 944255
Sacramento, CA 94244-2550