

Published in the Electronic Federal Gazette (*Elektronischer Bundesanzeiger*) on 30 November 2010:

# VOLKSWAGEN

AKTIENGESELLSCHAFT

WKN: 766 400, 766 403

ISIN: DE 0007664005, DE 0007664039

## **Announcement pursuant to sections 249, 248a German Stock Corporation Act (Aktiengesetz, AktG)**

On 12 and 17 June 2008, we published, in accordance with section 246 para 4 sentence 1 German Stock Corporation Act, the fact that CIA Consulting Investment Asset Management GmbH, Hamburg/Germany had taken legal action against the resolution passed at the general meeting of Volkswagen Aktiengesellschaft, Wolfsburg/Germany, on 24 April 2008 under agenda item 9.1.

This legal action was withdrawn by the claimant on 25 November 2010.

The Claimant and the Defendant entered into the following agreement on 25 November 2010 in connection with this withdrawal:

## **Settlement**

### Preamble

1. The Claimant filed an action with the Regional Court (*Landgericht*) of Braunschweig on 26 May 2008 moving to set aside (*Anfechtungsklage*) the resolution of the general meeting of the Defendant of 24 April 2008 in relation to item 9.1 on the Agenda (regarding the approval of the supplemental motion (*Ergänzungsantrag*) by Porsche Automobil Holding SE to delete Article 12 of the Articles of Association (right of delegation (*Entsendungsrecht*), to amend Article 24 of the Articles of Association (Voting right – Restrictions on Voting (*Stimmrecht/Stimmrechtsbeschränkung*)) and Article 25 of the Articles of Association (representation with regard to the exercise of the voting right (*Vertretung bei der Stimmrechtsausübung*) and to amend Article 26 of the Articles of Association (Resolutions (*Beschlussfassung*)) and, by way of precaution, to anul (*Nichtigkeitsklage*) as well as to issue a declaratory ruling determining the actual contents of a resolution (*positive Beschlussfeststellungsklage*). By way of precaution with respect to the motion for the issuance of a declaratory ruling determining the actual contents of a resolution, the Claimant moves that it is held that the Defendant's Articles of Association are unlawful as far as they contain Restrictions on Voting Rights or Special Rights of Delegation. The proceedings were taken over by the Regional Court of Hanover.

Intervening parties (*Nebenintervenienten*) entered the dispute on the side of the Claimant and the Defendant.

The Regional Court of Hanover dismissed the action in its judgement of 27 November 2008 (21 O 61/08), insofar as the motion to set aside, the motion brought, by way of precaution, for annulment and the motion for the issuance of a declaratory ruling determining the actual contents of a resolution were at dispute. In respect of the motion filed, by way of precaution, for the issuance of a declaration that the Defendant's Articles of Association are void, the Regional Court of Hanover referred the matter to the Regional Court of Braunschweig.

The Claimant filed an appeal on 23 December 2008 with the Higher Regional Court (*Oberlandesgericht*) of Celle.

Porsche Automobil Holding SE, which was originally also an intervening party in the dispute, has withdrawn its legal action with its pleadings of 28 May 2010 to the Higher Regional Court of Celle.

2. NOW, THEREFORE, Claimant 2 and the Defendant (hereinafter also collectively referred to as the "Parties") hereby conclude the following settlement agreement, without prejudice and maintaining their respective legal viewpoints, to amicably settle the pending litigation by way of making mutual concessions so as to avoid protracted litigation:

#### § 1 Arrangements regarding the Articles of Association

The Defendant undertakes to publish the company's comments on the company's website within two weeks of this settlement agreement entering into force where they will be accessible to all shareholders for at least three weeks, in which the company outlines why the existing provision, pursuant to which resolutions at the general meeting require a qualified majority of the votes cast in order to be adopted, is in the interests of (both) the company and its shareholders.

#### § 2 Arrangements clarifying the Articles of Association

The Defendant shall ensure, to the extent legally permissible, that its Articles of Association are adapted by resolutions passed at the general meeting so as to remove any uncertainties regarding the validity or the continued validity of the disputed Articles of Association. In that respect, the Defendant shall do its utmost to ensure that provisions that are linked to the disputed Articles of Association as regards content are given legitimacy by the entry of such resolutions passed at the general meeting in the Commercial Register (*Handelsregister*). With regard to the disputed Articles of Association, the Defendant undertakes to do its utmost to implement in a timely manner the requirements which were laid down by the European Court of Justice (*Europäischer Gerichtshof*) in its judgement pronounced on 23 October 2007 (C 112/05) and which are already transposed into German law. The Claimant undertakes to refrain from taking any legal action in the future in respect of the validity of any resolutions with regard to the disputed Articles of Association which are passed at a general meeting in order to implement this obligation.

#### § 3 Settlement of the litigation

1. In consideration of the arrangements made under clauses 1 and 2, the Claimant hereby withdraws its legal action of 26 May 2009 including the severed portion of the lawsuit currently pending before the Regional Court of Braunschweig.
2. The Claimant agrees to refrain from raising any objections, either directly or indirectly, against the legality and validity of resolutions passed at the Defendant's general meeting on 24 April 2008, from taking legal action against the Defendant, members of its corporate bodies or other persons (including but not limited to, actions for annulment or a declaration judgment) in connection with these resolutions or to assert any claims against

the said persons in respect thereof. The Claimant agrees not to take or initiate any other judicial or non-judicial measures, either directly or indirectly, in connection with the said resolutions passed at the general meeting.

#### § 4 Effective date of the settlement

The Parties agree that this settlement shall be concluded in such a way that each of the Parties furnishes a copy of the written settlement offer to the Court to enable it to determine the conclusion and the contents of the settlement on the basis of a ruling passed in accordance with section 278 para. 6 German Code of Civil Procedure (*Zivilprozessordnung, ZPO*). Accordingly, the Parties further agree that the proceedings in the main action will not be settled and the settlement will not be effective according to substantive law until such time as the court determines the conclusion and the content of the settlement on the basis of a ruling passed in accordance with section 278 para. 6 German Code of Civil Procedure.

#### § 5 Amount in dispute and costs

1. The Court fixed the amount of the claim in the action brought by the Claimant in the main proceedings at EUR 500,000.00 (value in dispute (*Streitwert*)). The Parties determine the value of this settlement at an amount of EUR 10,500,000.00 (settlement value (*Vergleichswert*)); the additional value of the settlement (*Vergleichsmehrwert*) thus amounts to EUR 10,000,000.00.
2. The Defendant shall bear the court costs of the litigation insofar as such costs would have to be borne by Claimant 2 and unless they are to be borne by Porsche Automobil Holding SE.
3. The Defendant undertakes to pay the Claimant, which warrants that it is not entitled to claim a deduction of input tax (*Vorsteuerabzug*), the extra-judicial costs including VAT the amount of which is to be calculated in accordance with the provisions of the Act on Lawyers' Fees (*Rechtsanwaltsvergütungsgesetz, RVG*) and with regard to the value in dispute as well as the additional value of the settlement specified in clause 5 (1) above. In this respect, the Parties mutually agree that the following fees shall be final and binding upon them in respect of the calculation of the costs in terms of the nature, amount and content: As regards the proceedings before the court at first instance, (1) 1.3 times the costs of proceedings (*Verfahrensgebühr*) as per no. 3100 of the Fee List of the Act on Lawyers' Fees on the basis of the value in dispute, (2) 1.2 times the fee for attending court hearings (*Terminsgebühr*) as per no. 3104 of the Fee List of the Act on Lawyers' Fees on the basis of the value in dispute, (3) a flat-rate for expenses (*Auslagenpauschale*) as per no. 7002 of the Fee List; for the proceedings before the court of second instance (1) 1.6 times the costs of proceedings as per no. 3200 of the Fee List of the Act on Lawyers' Fees on the basis of the value in dispute, (2) 1.1 times the costs of proceedings as per no. 3201 of the Fee List of the Act on Lawyers' Fees on the basis of the additional value of the settlement, (3) 1.2 times the fee for attending court hearings as per no. 3202 Fee List of the Act on Lawyers' Fees on the basis of the additional value of the settlement (4) 1.3 times the settlement fee (*Einigungsgebühr*) in the ordinary appeals at first instance (*Berufung*)/appeals at second instance (*Revision*) as per no. 1004 of the Fee List of the Act on Lawyers' Fees on the basis of the value in dispute, (5) 1.5 times the settlement fee as per no. 1000 of the Fee List of the Act on Lawyers' Fees on the basis of the additional value of the settlement, in each case subject to section 15 para 3 Act on Lawyers' Fees, (6) flat-rate for expenses as per no. 7002 of the Fee List.
4. The Defendant shall bear the extra-judicial costs of the current litigation and of the conclusion of this settlement. The Defendant shall indemnify the Claimant against all claims for reimbursement of costs brought against it by intervening parties which have entered the dispute on the side of the Defendant.

5. Any reimbursable amounts hereunder shall be due and payable within ten banking days of this settlement entering into force and of receipt of the relevant request for payment by counsel for the Defendant. Advanced court costs which the court reimburses to the Claimant or its counsel, shall be passed on to counsel for the Defendant unsolicited within ten banking days of receipt at the latest.
6. The foregoing provisions on the reimbursement of judicial and extra-judicial costs are final and binding on the Parties. The Parties agree not to take any measures which could potentially result in an amendment to the provisions stipulated herein on the elements of the costs, the determinations of amounts and the values in disputes within the meaning of clause 5.
7. The Parties mutually undertake not to file any applications for costs against each other and not to institute proceedings for a decision on assessment of costs if the above provisions are fulfilled within the time limit prescribed in clause 5.
8. All of the provisions set out in clause 5 above are applicable solely to the relationship between the Parties under this settlement and do not apply to any other Claimants or intervening parties in respect of the disputed general meeting.

#### § 6 Publication

1. The Defendant shall arrange for the complete text of the settlement (save for the address of the Claimant, any intervening parties and counsel for the Claimant and intervening party on the side of the Claimant) to be published in the electronic Federal Gazette (*Elektronischer Bundesanzeiger*) in accordance with section 248 a Stock Corporation Act in conjunction with section 149 para 2 Stock Corporation Act, at its own expense without undue delay upon its entry into force.
2. In the event that the announcement made in accordance with section 248 a Stock Corporation Act in conjunction with section 149 para 2 Stock Corporation Act is incomplete, this is without prejudice to all duties of the Parties stipulated herein. For this case, the Parties hereby already waive their right to any claims for repayment of any amount performed despite the ineffectiveness of such obligation.
3. The Parties agree that any press releases and other public announcements issued by the Parties with regard to the conclusion of this settlement, background information as to how it was concluded and/or the terms and conditions hereof shall be agreed in advance and may only be made public following mutual agreement between the Parties. Consent to publication by a Party may only be withheld for cause. The first sentence also applies to oral statements made by members of the corporate bodies or employees of the Defendant, unless statutory disclosure obligations apply. The obligation pursuant to the first sentence shall not apply to a publication made in accordance with clause 6 para 1 of this Settlement Agreement or any announcement of the Defendant pursuant to section 15 para 1 German Securities Trading Act (*Wertpapierhandelsgesetz, WpHG*) and any other statutory disclosure obligations which the Defendant is subject to.

#### § 7 Final provisions

1. The Parties unanimously declare that there are no agreements beyond this settlement in connection with the end of this lawsuit, including but not limited to, to the best of their knowledge, any arrangements as defined by section 248 a in conjunction with section 149 para 2 Stock Corporation Act, and that the Defendant's obligations to the Claimant under this settlement are completely and correctly specified herein.

2. Should any of the provisions of this settlement be or become ineffective or unenforceable, the validity of the remaining provisions hereof, including but not limited to, clause 3 para 1, shall not be affected thereby. In lieu of such ineffective or unenforceable provision, a valid provision shall be deemed agreed that comes closest to the economic intent and purpose pursued by the parties.
3. The Claimant warrants that it has not been afforded, granted or promised any special rights or privileges in connection with the action brought by it and the conclusion of this settlement, nor has it demanded any such rights/privileges. The Defendant warrants that it has not afforded, granted or promised the Claimant and/or third parties any special rights or privileges in connection with the action brought and the conclusion of this settlement.

This lawsuit is thus ended.

Wolfsburg, 25 November 2010

Board of Management