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Dated 6 June 2019

*This document constitutes five base prospectuses for the purposes of Article 5.4 of Directive 2003/71/EC of the European Parliament and the Council of 4 November 2003, as amended, including by Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010, or superseded (the "**Prospectus Directive**"): (i) the base prospectus of Volkswagen Financial Services Aktiengesellschaft in respect of non-equity securities within the meaning of Art. 22 No. 6 (4) of the Commission Regulation (EC) No. 809/2004 of 29 April 2004, as amended (the "**Prospectus Regulation**") ("**Non-Equity Securities**"), (ii) the base prospectus of Volkswagen Leasing GmbH in respect of Non-Equity Securities, (iii) the base prospectus of Volkswagen Financial Services N.V. in respect of Non-Equity Securities, (iv) the base prospectus of Volkswagen Financial Services Japan Ltd. in respect of Non-Equity Securities and (v) the base prospectus of Volkswagen Financial Services Australia Pty Limited in respect of Non-Equity Securities (together, the "**Prospectus**").*

**VOLKSWAGEN FINANCIAL SERVICES AKTIENGESELLSCHAFT**
Braunschweig, Federal Republic of Germany
– Issuer and/or Guarantor –

**VOLKSWAGEN LEASING GMBH**
Braunschweig, Federal Republic of Germany
– Issuer –

**VOLKSWAGEN FINANCIAL SERVICES N.V.**
Amsterdam, The Netherlands
– Issuer –

**VOLKSWAGEN FINANCIAL SERVICES JAPAN LTD.**
Tokyo, Japan
– Issuer –

**VOLKSWAGEN FINANCIAL SERVICES AUSTRALIA PTY LIMITED**
(ABN 20 097 071 460)
Sydney, Australia
– Issuer –

**EUR 35,000,000,000**
Debt Issuance Programme (the "**Programme**")

Arranger

**UNICREDIT BANK**

Dealers

| | | |
|---|---|---|
| **BANCO BILBAO VIZCAYA ARGENTARIA, S.A.** | **BARCLAYS** | **BAYERNLB** |
| **BNP PARIBAS** | **BofA MERRILL LYNCH** | **CITIGROUP** |
| **COMMERZBANK** | **CRÉDIT AGRICOLE CIB** | **DANSKE BANK A/S** |
| **DEUTSCHE BANK** | **GOLDMAN SACHS INTERNATIONAL** | **HSBC** |
| **J.P. MORGAN** | **LANDESBANK BADEN-WÜRTTEMBERG** | **LLOYDS BANK CORPORATE MARKETS WERTPAPIERHANDELSBANK** |
| **MUFG** | **MIZUHO SECURITIES** | **NATWEST MARKETS** |
| **RBC CAPITAL MARKETS** | **SANTANDER CORPORATE & INVESTMENT BANKING** | **SEB** |
| **SOCIÉTÉ GÉNÉRALE CORPORATE & INVESTMENT BANKING** | **TD SECURITIES** | **UNICREDIT BANK** |

Issuing Agent

**CITIBANK, N.A.**

http://www.oblible.com



Application has been made to the *Commission de Surveillance du Secteur Financier* of the Grand Duchy of Luxembourg (the "**Commission**") in its capacity as competent authority under the Luxembourg act relating to prospectuses for securities (*loi relative aux prospectus pour valeurs mobilières*) (the "**Luxembourg Prospectus Law**"), which implements the Prospectus Directive into Luxembourg law, for the approval of this Prospectus. The Commission assumes no responsibility as to the economic and financial soundness of the transaction or the quality or solvency of the Issuers and the Guarantor pursuant to Article 7 (7) of the Luxembourg Law on Prospectuses for securities.

Application has been made to the Luxembourg Stock Exchange for notes (the "**Notes**") issued under this Programme to be admitted to trading on the regulated market of the Luxembourg Stock Exchange (as defined below) and to be listed on the official list of the Luxembourg Stock Exchange. Notes issued under the Programme may also be listed and traded on an alternative stock exchange or may not be listed at all.

Each Issuer has requested the Commission to provide the competent authorities in the Federal Republic of Germany, the Netherlands, the United Kingdom of Great Britain and Northern Ireland, the Republic of Ireland, and the Republic of Austria with a certificate of approval attesting that the Prospectus has been drawn up in accordance with the Luxembourg Prospectus Law ("**Notification**"). Each Issuer may request the Commission to provide competent authorities in additional Member States within the European Economic Area with a Notification.

This Prospectus and any supplement thereto will be published in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu) and the website of Volkswagen Financial Services Aktiengesellschaft (www.vwfs.com). This Prospectus is valid for a period of twelve months from its date of approval.

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## Responsibility Statement

Volkswagen Financial Services Aktiengesellschaft ("**VWFSAG**" or the "**Guarantor**", together with its consolidated subsidiaries "**VWFSAG Group**") with its registered office in Braunschweig, Volkswagen Leasing GmbH ("**VWLGMBH**") with its registered office in Braunschweig, Volkswagen Financial Services N.V. ("**VWFSNV**") with its registered office in Amsterdam, Volkswagen Financial Services Japan Ltd. ("**VWFSJ**") with its registered office in Tokyo and Volkswagen Financial Services Australia Pty Limited ("**VWFSAL**", together with its consolidated subsidiaries "**VWFSAL Group**") with its registered office in Chullora NSW 2190, Australia (each an "**Issuer**" and together the "**Issuers**") accept responsibility for the information given in this Prospectus, provided that:

VWLGMBH is not responsible for the description of VWFSAG (p. 127 - p. 136), VWFSNV (p. 141 - p. 144) , VWFSJ (p. 145 - p. 146) and VWFSAL (p. 147 – p. 149) including the Risk Factors regarding VWFSAG (p. 58 - p. 75), VWFSNV (p. 90 - p. 97), VWFSJ (p. 98 - p. 108) and VWFSAL (p. 109 - p. 120), the related parts of the summary and the description of the guarantee of the Notes (p. 297- p. 298),

VWFSNV is not responsible for the description of VWFSAG (p. 127 - p. 136), VWLGMBH (p. 137 - p. 140) , VWFSJ (p. 145 - p. 146) and VWFSAL (p. 147 – p. 149) including the Risk Factors regarding VWFSAG (p. 58 - p. 75), VWLGMBH (p. 76 - p. 89), VWFSJ (p. 98 - p. 108) and VWFSAL (p. 109 - p. 120), the related parts of the summary and the description of the guarantee of the Notes (p. 297- p. 298),

VWFSJ is not responsible for the description of VWFSAG (p. 127 - p. 136), VWLGMBH (p. 137 - p. 140), VWFSNV (p. 141 - p. 144) and VWFSAL (p. 147 – p. 149) including the Risk Factors regarding VWFSAG (p. 58 - p. 75), VWLGMBH (p. 76 - p. 89), VWFSNV (p. 90 - p. 97) and VWFSAL (p. 109 - p. 120), the related parts of the summary and the description of the guarantee of the Notes (p. 297- p. 298),

VWFSAL is not responsible for the description of VWFSAG (p. 127 - p. 136), VWLGMBH (p. 137 - p. 140) , VWFSNV (p. 141 - p. 144) and VWFSJ (p. 145 - p. 146) including the Risk Factors regarding VWFSAG (p. 58 - p. 75), VWLGMBH (p. 76 - p. 89), VWFSNV (p. 90 - p. 97) and VWFSJ (p. 98 - p. 108), the related parts of the summary and the description of the guarantee of the Notes (p. 297- p. 298).

Each Issuer hereby declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus for which it is responsible is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

## Notice

This Prospectus should be read and understood in conjunction with any supplement thereto and with any other document incorporated herein by reference. Full information on each Issuer and any Tranche of Notes is only available on the basis of the combination of the Prospectus and the relevant final terms (the "**Final Terms**").

Each Issuer and the Guarantor have confirmed to the Dealers (as defined herein) that this Prospectus contains all information with regard to the Issuers and the Notes which is material in the context of the Programme and the issue and offering of Notes thereunder; that the information contained in the Prospectus is accurate and complete in all material respects and is not misleading; that any opinions and intentions expressed herein are honestly held and based on reasonable assumptions; that there are no other facts with respect to the Issuer, the Guarantor or the Notes, the omission of which would make the Prospectus as a whole or any statement, whether fact or opinion, in this Prospectus misleading in any material respect; and that all reasonable enquiries have been made to ascertain all facts and to verify the accuracy of all statements contained herein.

No person has been authorised to give any information which is not contained in or not consistent with this Prospectus or any other information supplied in connection with the Programme and, if given or made, such information must not be relied upon as having been authorised by or on behalf of the Issuers, the Guarantor, the Dealers or any of them.

This Prospectus is valid for twelve months following its date of approval and this Prospectus and any supplement hereto as well as any Final Terms reflect the status as of their respective dates of issue. Notwithstanding that the Issuers may be required to provide a supplement pursuant to Article 13 of the Luxembourg Prospectus Law, the delivery of this Prospectus or any Final Terms and the offering, sale or delivery of any Notes may not be taken as an implication that the information contained in such documents is accurate and complete subsequent to their respective dates of issue or that there has been no adverse change in the financial situation of the Issuers and the Guarantor since such date or that any other information supplied in connection with the Programme is accurate at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

Each Issuer and the Guarantor have undertaken with the Dealers to supplement this Prospectus or publish a new Prospectus in the event of any significant new factor, material mistake or inaccuracy relating to the information

included in this Prospectus which is capable of affecting the assessment of the Notes and which arises or is noted between the time when this Prospectus has been approved and the final closing of any Tranche of Notes offered to the public or, as the case may be, when trading of any Tranche of Notes on a regulated market begins.

Neither the arranger as set forth on the cover page (the "**Arranger**") nor any Dealer nor any other person mentioned in this Prospectus, excluding the Issuers, is responsible for the information contained in this Prospectus or any supplement hereto, or any Final Terms or any other document incorporated herein by reference, and accordingly, and to the extent permitted by the laws of any relevant jurisdiction, none of these persons accepts any responsibility for the accuracy and completeness of the information contained in any of these documents.

The distribution of this Prospectus and any Final Terms and the offering, sale and delivery of Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus or any Final Terms come are required to inform themselves about and observe any such restrictions. For a description of the restrictions applicable in the United States of America, the European Economic Area, the United Kingdom, The Netherlands, the Republic of Austria, Japan and Australia see "*Subscription and Sale*". In particular, the Notes have not been and will not be registered under the United States Securities Act of 1933, as amended, and are subject to tax law requirements of the United States of America; subject to certain exceptions, Notes may not be offered, sold or delivered within the United States of America or to U.S. persons. This Prospectus may only be communicated or caused to be communicated in circumstances in which Section 21(1) of the Financial Services and Markets Act 2000 ("**FSMA**") does not apply.

The language of the Prospectus is English. Where parts of the Prospectus are drafted in a bilingual format reflecting both an English language version and a German language version the English language version shall be the controlling language for reading and construing the contents of the Prospectus, provided that certain parts of the Prospectus reflect documents which have been, or will be, executed as separate documents with the German language version being controlling and binding. Consequently, in respect of the issue of any Tranche of Notes under the Programme, the German language version of the Terms and Conditions may be controlling and binding if so specified in the relevant Final Terms and in respect of the Guarantee, the German language version is always controlling and binding.

**This Prospectus may only be used for the purpose for which it has been published.**

**This Prospectus and any Final Terms may not be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation.**

**This Prospectus, any supplements thereto and any Final Terms do not constitute an offer or an invitation to subscribe for or purchase any of the Notes.**

**In connection with the issue of any Tranche of Notes under the Programme, the Dealer or Dealers (if any) named as stabilisation manager(s) in the applicable Final Terms (or persons acting on behalf of any stabilisation manager(s)) may over-allot Notes or effect transactions, outside Australia and on a market operated outside of Australia, with a view to supporting the market price of the Notes at a higher level than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant stabilisation manager(s) (or person(s) acting on behalf of any stabilisation manager(s)) in accordance with all applicable laws and rules.**

**EU Benchmark Regulation: Article 29 (2) statement on benchmarks**

Amounts payable under the Notes may be calculated by reference to EURIBOR, which is provided by European Money Markets Institute ("**EMMI**"), LIBOR, which is provided by ICE Benchmark Administration ("**IBA**") or any other benchmark in each case as specified in the Final Terms. As at the date of this Prospectus, IBA appears and EMMI does not appear on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority ("**ESMA**") pursuant to article 36 of the Benchmark Regulation (Regulation (EU) 2016/1011). As far as the Issuer is aware, the transitional provisions in Article 51 of the BMR apply, such that EMMI is currently not required to obtain authorisation or registration (or, if located outside the European Union, recognition, endorsement or equivalence).

**Product Governance**

The Final Terms in respect of any Notes may include a legend entitled "**MiFID II Product Governance**" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels. A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "**MiFID Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MIFID Product Governance Rules.

**Notification under Section 309B of the Securities and Futures Act, Chapter 289 of Singapore**

In connection with Section 309B of the Securities and Futures Act, Chapter 289 of Singapore as modified or amended from time to time including by any subsidiary legislation as may be applicable at the relevant time (together, the SFA), each Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309(A)(1) of the SFA), that the Notes are 'prescribed capital markets products' (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and 'Excluded Investment Products' (as defined in MAS Notice SFA 04-N12: *Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products*).

In this Prospectus, all references to "**EUR**" are to the euro, the single currency of the member states participating in the European Monetary Union, to "**GBP**" are to British pounds sterling, the official currency of the United Kingdom, to "**USD**" are to U.S. dollar, the official currency of the United States of America, to “AUD” are to Australian dollar, the official currency of the Commonwealth of Australia and to "**YEN**" are to Japanese yen, the official currency of Japan and to "**TRY**" are to Turkish Lira, the official currency of Turkey and the Turkish Republic of Northern Cyprus.

Information relating to the diesel issue described herein with regards to Volkswagen Group is based on public information and is subject to change. The Issuers and the Guarantor have not independently verified any such information.

# Summary

**Summaries are made up of disclosure requirements known as 'Elements'. These elements are numbered in Sections A – E (A.1 – E.7).**

**This summary contains all the Elements required to be included in a summary for this type of securities and Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.**

**Even though an Element may be required to be inserted in the summary because of the type of securities and Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of "not applicable".**

**[*The following Summary contains options and blank spaces, marked by square brackets or bold script, relating to the Notes that may be issued under the Prospectus. The summaries for the individual issues of Notes will be included in the Final Terms and will contain only those options that are relevant for the respective issue of Notes. In addition, the placeholders ("●") contained in the following Summary that are relevant for the particular issue will be completed in the summary for the individual issue.*][1]**

| **Section A – Introduction and warnings** | | |
|---|---|---|
| A.1 | **Warning that:**<br>this Summary should be read as an introduction to the Prospectus;<br>any decision to invest in the Notes should be based on consideration of the Prospectus as a whole by the investor;<br>where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating the Prospectus, before the legal proceedings are initiated; and<br>civil liability attaches only to the Issuer who has tabled the Summary including any translation thereof, but only if the Summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the Notes. | |
| A.2 | Consent to the use of the prospectus | **[**Not applicable. No consent has been given.**][**The Issuer consents to the use of the Prospectus by all credit institutions (general consent) and accepts responsibility for the content of the Prospectus also with respect to subsequent resale or final placement of the Notes by any credit institution which was given consent to use the Prospectus, provided however, that the Prospectus is still valid in accordance with Article 11 of the Luxembourg act relating to prospectuses for securities (*Loi relative aux prospectus pour valeurs mobilières*) which implements Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 (as amended by Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010).<br>Such general consent for the subsequent resale or final placement of the Notes by the credit institution is given in relation to public offers in **[**Luxembourg**][,] [**and**] [**Germany**][,] [**and**] [**The Netherlands**][,] [**and**] [**the United Kingdom**][,] [**and**] [**Ireland**][,] [**and**] [**Austria**]** (the "**Offer State[s]**") only.<br>The subsequent resale or final placement of Notes by credit institutions can be made during the period commencing from**[**, and including,**] [specify date] [**to**[**, and including,**] [specify date]]** (the "**Offer Period**").<br>**[**Additionally, the Issuer may grant its consent to the use of the Prospectus |

[1] To be deleted for the summary of an individual issue of Notes.

| | | |
|---|---|---|
| | | for any resale or final placement of the relevant Notes in the Offer State**[**s**]** until the end of such Offer Period to any financial intermediary (individual consent), the name and address of which shall be published on the website of Volkswagen Financial Services Aktiengesellschaft (www.vwfs.com).**]**<br><br>In the event of a public offer being made by a credit institution, this credit institution will provide information to investors on the terms and conditions of the offer at the time the offer is made.<br><br>**Any credit institution using the Prospectus based on the general consent for public offerings has to state on its website that it uses the Prospectus in accordance with the consent and the conditions attached thereto.]** |
| **Section B – Issuer** | | |
| **[1. Information relating to Volkswagen Leasing GmbH as Issuer** | | |
| B.1 | Legal and commercial name | Volkswagen Leasing GmbH ("**VWLGMBH**") |
| B.2 | Domicile, legal form, legislation, country of incorporation | **Domicile**<br><br>VWLGMBH's domicile is Braunschweig, Federal Republic of Germany.<br><br>**Legal form**<br><br>Limited liability company (*Gesellschaft mit beschränkter Haftung*) under German law.<br><br>**Legislation**<br><br>German law<br><br>**Country of incorporation**<br><br>VWLGMBH is incorporated in the Federal Republic of Germany. |
| B.4b | Known trends affecting the Issuer and the industries in which it operates | The business development of VWLGMBH is closely linked to the development of sales of VW Group (as defined below). The development of the automotive sector remains dependent on the global economic development, which continues to be shrouded in considerable uncertainty. The financial markets still entail risks resulting above all from the strained debt situation of many countries. The economic environment is expected to remain uncertain and volatile in the upcoming months. Additional requirements from increased regulations and legislations to prevent future financial crises may materially affect VWLGMBH's business.<br><br>Various repercussions could result for VWFSAG Group and VWLGMBH from the diesel issue. In turn, the diesel issue may have a negative impact on the future business and financial results of VWLGMBH, the effect of which remains uncertain. |
| B.5 | Organisational Structure | VWLGMBH is a wholly-owned subsidiary of Volkswagen Financial Services Aktiengesellschaft, Braunschweig, Federal Republic of Germany ("**VWFSAG**"). The shares are held directly by VWFSAG. Parent company of VWFSAG is Volkswagen Aktiengesellschaft, Wolfsburg, Federal Republic of Germany ("**VW AG or "Volkswagen AG"**"). VW AG is the controlling company of the Volkswagen Group ("**VW Group**" or "Volkswagen Group"), which consists of numerous subsidiaries and affiliates in the Federal Republic of Germany and abroad. |
| B.9 | Profit forecasts or | Not applicable; VWLGMBH has not made any profit forecasts or estimates |

<table>
<tr><td></td><td>estimates</td><td>in the Prospectus.</td></tr>
<tr><td>B.10</td><td>Qualifications in the audit report</td><td>Not applicable; there are no qualifications in the audit report of VWLGMBH on its historical financial information.</td></tr>
<tr><td>B.12</td><td>Selected historical key financial information regarding the Issuer, statement regarding trend information and significant changes in the financial or trading position of the Issuer</td><td>The following table shows selected financial information of VWLGMBH extracted from the published audited non-consolidated financial statements as at and for the financial years ended 31 December 2017 and 2018:<br><br>Balance sheet data<br><br>
<table>
<tr><th></th><th>31 December 2018</th><th>31 December 2017</th></tr>
<tr><td></td><td>EUR 000</td><td></td></tr>
<tr><td>Total Assets</td><td>37,486,382</td><td>32,218,349</td></tr>
<tr><td>Lease assets</td><td>27,739,373</td><td>26,048,897</td></tr>
<tr><td>Equity</td><td>222,359</td><td>222,359</td></tr>
<tr><td>Liabilities to customers</td><td>16,716,105</td><td>13,482,960</td></tr>
<tr><td>Securitized liabilities</td><td>12,178,369</td><td>10,488,689</td></tr>
</table>
<br>Income statement data<br><br>
<table>
<tr><th></th><th colspan="2">1 January – 31 December</th></tr>
<tr><th></th><th>2018</th><th>2017</th></tr>
<tr><td></td><td>EUR 000</td><td></td></tr>
<tr><td>Leasing income</td><td>17,508,774</td><td>15,848,481</td></tr>
<tr><td>Leasing expenses</td><td>9,986,389</td><td>9,326,472</td></tr>
<tr><td>Result from ordinary activities</td><td>281,073</td><td>–525,354</td></tr>
<tr><td>Net retained profits</td><td>649</td><td>649</td></tr>
</table>
<br>There has been no material adverse change in the prospects of VWLGMBH since the date of its last published audited non-consolidated financial statements as at 31 December 2018.<br><br>The diesel issue as well as other expenses or provisions in connection with diesel vehicles, including but not limited to residual values of cars and the debate about the prohibition of the use of diesel vehicles may have a negative impact on the future business and financial performance of VWLGMBH, the effect of which remains uncertain.<br><br>Additionally, increased litigation and legal risks, including but not limited to the area of consumer credit law, which would be reflected in corresponding provisions as well as geopolitical tensions and conflicts, protectionist tendencies, turmoil in the financial markets, structural deficits in individual countries, as well as uncertainty regarding future developments in the euro area, such as the uncertain impacts of the United Kingdom’s planned exit</td></tr>
</table>

| | | |
|---|---|---|
| | | from the EU, may affect the operating profit and financial performance of VWLGMBH.<br><br>VWLGMBH anticipates a slight increase in funding costs, greater levels of cooperation with the individual Group brands, increased cost optimization under the efficiency program, slightly falling risk costs, higher overhead cost caused by investments into the digitalization and a continued high degree of uncertainty regarding macroeconomic conditions in the real economy and its impact on factors such as risk costs.<br><br>Not applicable; there has been no significant change in the financial or trading position of VWLGMBH since the date of its last published audited non-consolidated financial statements as at 31 December 2018. |
| B.13 | Recent developments | Not applicable; there have been no recent events particular to VWLGMBH which are to a material extent relevant to the evaluation of VWLGMBH's solvency. |
| B.14 | Dependence of the Issuer upon other entities within the group | see Element B.5.<br><br>The business development of VWLGMBH is closely linked to the development of sales of VW Group.<br><br>A profit and loss transfer agreement (Ergebnisabführungsvertrag) with VWFSAG came into effect on 18 September 2002. According to this agreement VWLGMBH is obliged to transfer its annual profit to VWFSAG after the end of each financial year. VWFSAG is obliged to compensate any occurring annual deficit of VWLGMBH insofar as such deficit cannot be compensated by a withdrawal from the so-called other retained earnings of any sums which were allocated thereto during the term of the agreement.<br><br>Volkswagen Bank has outsourced its sales activities to VW Leasing GmbH, a subsidiary of VWFSAG. Under this agreement the sales forces of VW Leasing GmbH are providing sales activities for its leasing business as well as the financing businesses of Volkswagen Bank. To safeguard a stable result for Volkswagen Bank, target sales volumes and the average earning assets per car are established with VW Leasing. Any deviation from these targets would result either in a bonus payment from VW Bank to VW Leasing or a malus payment from VW Leasing to VW Bank, which incentivizes VW Leasing's sales activities for banking products. |
| B.15 | A description of the Issuer's principal activities | VWLGMBH engages in the operating leasing business with private and business customers as well as in the fleet management and services business. VWLGMBH is focused squarely on the needs of the private customer, corporate customer and fleet customer groups. Besides enabling innovative rental models such as long-term or micro rentals (car sharing) and other new mobility services, VWLGMBH's organisational foundation ensures the consistent expansion of after sales services in the automotive context. |
| B.16 | Major shareholders | VWLGMBH is a wholly-owned subsidiary of VWFSAG. |
| B.17 | Ratings | Not applicable. No Rating has been assigned to the Issuer. |
| B.18 | Nature and scope of the guarantee | VWFSAG (the "**Guarantor**") has given its unconditional and irrevocable Guarantee (the "**Guarantee**") for the due payment of the amounts corresponding to the principal of and interest on the Notes issued by VWLGMBH. |
| B.19 | Information about the Guarantor | For information on VWFSAG as guarantor please see "2. Information relating to Volkswagen Financial Services Aktiengesellschaft as Guarantor" below.**]** |

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| **[1.** | **Information relating to Volkswagen Financial Services N.V. as Issuer** | |
| B.1 | Legal and commercial name | Volkswagen Financial Services N.V. ("**VWFSNV**") |
| B.2 | Domicile, legal form, legislation, country of incorporation | **Domicile**<br>VWFSNV's domicile is Amsterdam, The Netherlands.<br>**Legal form**<br>Stock corporation under the law of The Netherlands.<br>**Legislation**<br>Dutch law<br>**Country of incorporation**<br>VWFSNV is incorporated in The Netherlands. |
| B.4b | Known trends affecting the Issuer and the industries in which it operates | The business development of VWFSNV is closely linked to the development of sales of VW Group (as defined below). The development of the automotive sector remains dependent on the global economic development, which continues to be shrouded in considerable uncertainty. The financial markets still entail risks resulting above all from the strained debt situation of many countries. The economic environment is expected to remain uncertain and volatile in the upcoming months. Additional requirements from increased regulations and legislations to prevent future financial crises may materially affect VWFSNV's business.<br>Various repercussions could result for VWFSAG Group and VWFSNV from the diesel issue.<br>In turn, the diesel issue may have a negative impact on the future business and financial results of VWFSNV, the effect of which remains uncertain. |
| B.5 | Organisational structure | VWFSNV is a wholly-owned subsidiary of Volkswagen Finance Overseas B.V., Amsterdam, the Netherlands ("**VWFOBV**"), which is a 100% subsidiary of Volkswagen Financial Services Aktiengesellschaft, Braunschweig, Federal Republic of Germany ("**VWFSAG**"). Parent company of VWFSAG is Volkswagen Aktiengesellschaft, Wolfsburg, Federal Republic of Germany ("**VW AG**"). VW AG is the controlling company of the Volkswagen Group ("**VW Group**") which consists of numerous subsidiaries and affiliates in the Federal Republic of Germany and abroad. |
| B.9 | Profit forecasts or estimates | Not applicable; VWFSNV has not made any profit forecasts or estimates in the Prospectus. |
| B.10 | Qualifications in the audit report | Not applicable; there are no qualifications in the audit report of VWFSNV on its historical financial information. |
| B.12 | Selected historical key financial information regarding the Issuer, statement regarding trend information and significant changes in the financial or trading position of the Issuer | The following table shows selected financial information of VWFSNV extracted from the published audited non-consolidated financial statements as at and for the financial years ended 31 December 2017 and 2018:<br><br>Balance sheet data<br><br>**31 December 2018** **31 December 2017**<br>EUR 000<br>Balance sheet total 5,929,923 6,525,264 |

| | | |
|---|---|---|
| | | Fixed assets 3,688,968 3,235,637<br>Current assets 2,235,746 3,285,308<br>Total liabilities 4,675,274 5,280,976<br>Equity 1,254,649 1,244,288<br><br>Income statement data<br><br>**1 January – 31 December**<br>**2018** **2017**<br>EUR 000<br>Net interest and similar income 13,705 11,135<br>Result before taxation 11,726 9,518<br>Result after taxation 10,361 7,208<br><br>There has been no material adverse change in the prospects of VWFSNV since the date of its last published audited non-consolidated financial statements as at 31 December 2018. However, the diesel issue may have a negative impact on the future business and financial results of VWFSNV, the effect of which remains uncertain.<br><br>Not applicable; there has been no significant change in the financial or trading position of VWFSNV since the date of its last published audited non-consolidated financial statements as at 31 December 2018. |
| B.13 | Recent developments | Not applicable; there have been no recent events particular to VWFSNV which are to a material extent relevant to the evaluation of VWFSNV's solvency. |
| B.14 | Dependence of the Issuer upon other entities within the group | see Element B.5.<br><br>The business development of VWFSNV is closely linked to VWFSAG and VW Bank and its refinancing strategies, the development of sales of VW Group in general and the refinancing requirements of affiliated companies in particular. |
| B.15 | A description of the Issuer's principal activities | The tasks of VWFSNV are to finance affiliated companies and enterprises, by means of borrow, raise and secure money in all manners expedient to it, especially by means of issuance of bonds, convertible bonds, stock and securities of indefinite currency or term, and to participate in such companies. |
| B.16 | Major shareholders | VWFSNV is a wholly-owned subsidiary of VWFOBV. |
| B. 17 | Ratings | Not applicable. No Rating has been assigned to the Issuer. |
| B.18 | Nature and scope of the guarantee | VWFSAG (the "**Guarantor**") has given its unconditional and irrevocable Guarantee (the "**Guarantee**") for the due payment of the amounts corresponding to the principal of and interest on the Notes issued by VWFSNV. |

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| B.19 | Information about the Guarantor | For information on VWFSAG as guarantor please see "2. Information relating to Volkswagen Financial Services Aktiengesellschaft as Guarantor" below.**]** |
| **[1.** | **Information relating to Volkswagen Financial Services Australia Pty Limited as Issuer** | |
| B.1 | Legal and commercial name | Volkswagen Financial Services Australia Pty Limited ("**VWFSAL**") |
| B.2 | Domicile, legal form, legislation, country of incorporation | **Domicile**<br>VWFSAL's domicile is Chullora, NSW 2190, Australia.<br>**Legal form**<br>Pty Limited (proprietary company) under Australian law.<br>**Legislation**<br>Australian law<br>**Country of incorporation**<br>VWFSAL is incorporated in Australia. |
| B.4b | Known trends affecting the Issuer and the industries in which it operates | The business development of VWFSAL is closely linked to the development of sales of VW Group (as defined below). The development of the automotive sector remains dependent on the global economic development, which continues to be shrouded in considerable uncertainty. The financial markets still entail risks resulting above all from the strained debt situation of many countries. The economic environment is expected to remain uncertain and volatile in the upcoming months. Additional requirements from increased regulations and legislations to prevent future financial crises may materially affect VWFSAL's business.<br>Various repercussions could result for VWFSAG Group and VWFSAL from the diesel issue. In turn, the diesel issue may have a negative impact on the future business and financial results of VWFSAL, the effect of which remains uncertain. |
| B.5 | Organisational structure | VWFSAL is a wholly-owned subsidiary of Volkswagen Financial Services Aktiengesellschaft, Braunschweig, Federal Republic of Germany ("**VWFSAG**"). Parent company of VWFSAG is Volkswagen Aktiengesellschaft, Wolfsburg, Federal Republic of Germany ("**VW AG**" or "Volkswagen AG"). VW AG is the controlling company of the Volkswagen Group ("**VW Group**" or "Volkswagen Group") which consists of numerous subsidiaries and affiliates in the Federal Republic of Germany and abroad. |
| B.9 | Profit forecasts or estimates | Not applicable; VWFSAL has not made any profit forecasts or estimates in the Prospectus. |
| B.10 | Qualifications in the audit report | Not applicable; there are no qualifications in the audit report of VWFSAL on its historical financial information. |
| B.12 | Selected historical key financial information regarding the Issuer, statement regarding trend information and significant changes in the financial or trading position of the Issuer | The following table shows selected financial information of VWFSAL Group extracted from the published audited consolidated financial statements as at and for the financial year ended 31 December 2017 and 2018:<br>Balance sheet data<br>**31 December 2018** **31 December 2017** |

| | | |
|---|---|---|
| | | AUD 000 |
| | | Total assets 6,845,557 5,935,883 |
| | | Total liabilities 6,563,254 5,675,311 |
| | | Net assets 282,303 260,572 |
| | | Total equity 282,303 260,572 |
| | | Income statement data |
| | | **1 January – 31 December** |
| | | **2018** **2017** |
| | | AUD 000 |
| | | Net interest revenue 114,330 80,228 |
| | | Total income from operations 135,445 97,348 |
| | | Profit before income tax 46,609 23,710 |
| | | Profit for the year attributable to owners 32,095 16,181 |
| | | There has been no material adverse change in the prospects of VWFSAL since the date of its last published audited consolidated financial statements as at 31 December 2018. However, the diesel issue may have a negative impact on the future business and financial results of VWFSAL, the effect of which remains uncertain. VWFSAL assumes a slight reduction in refinancing costs, continuation of its close cooperation with the respective VW Group brands, increased cost optimisation under the efficiency program and a continued high degree of uncertainty about macroeconomic conditions in the real economy and the impact of these uncertainties on factors such as risk costs.<br><br>Not applicable; there has been no significant change in the financial or trading position of VWFSAL Group since the date of its last published audited consolidated financial statements as at 31 December 2018. |
| B.13 | Recent developments | A regulatory body is currently conducting an industry-wide investigation into consumer loans, including into some of the VWFSAL Group's consumer loans. This investigation remains ongoing. Pursuant to this investigation, the regulatory body has indicated concerns in relation to certain aspects of VWFSAL Group's past consumer loan practices. Engagement continues with the regulatory body directed at addressing those concerns, including by way of a customer remediation program and a systems and processes review. The terms and quantification of the remediation program and systems review are still under discussion. The financial effects relating to this matter are not expected to significantly impact on VWFSAL's business activities or growth and will not impact on VWFSAL's ability to meet VWFSAL's payment obligations. |
| B.14 | Dependence of the Issuer upon other entities within the group | see Element B.5.<br><br>The business development of VWFSAL is closely linked to the development of sales of VW Group. |
| B.15 | A description of the Issuer's principal activities | The principal activities of VWFSAL are the provision of motor vehicle finance, leasing and insurance solutions to private and corporate clients. Furthermore VWFSAL offers bailment stocking and capital loans to its |

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| | | dealers. As is common in the automotive related financial services industry, VWFSAL's product portfolio is not limited to VW Group brands. |
| B.16 | Major shareholders | VWFSAL is a wholly-owned subsidiary of VWFSAG. |
| B. 17 | Ratings | Not applicable. No Rating has been assigned to the Issuer. |
| B.18 | Nature and scope of the guarantee | VWFSAG (the "**Guarantor**") has given its unconditional and irrevocable Guarantee (the "**Guarantee**") for the due payment of the amounts corresponding to the principal of and interest on the Notes issued by VWFSAL. |
| B.19 | Information about the Guarantor | For information on VWFSAG as guarantor please see "2. Information relating to Volkswagen Financial Services Aktiengesellschaft as Guarantor" below.**]** |
| **[1.][2.] Information relating to Volkswagen Financial Services Aktiengesellschaft as [Issuer] [Guarantor]** | | |
| [B.19] B.1 | Legal and commercial name | Volkswagen Financial Services AG ("**VWFSAG**") |
| [B.19] B.2 | Domicile, legal form, legislation, country of incorporation | **Domicile**<br>VWFSAG's domicile is Braunschweig, Federal Republic of Germany.<br>**Legal form**<br>Stock corporation (*Aktiengesellschaft*) under German law.<br>**Legislation**<br>German law<br>**Country of incorporation**<br>VWFSAG is incorporated in the Federal Republic of Germany. |
| [B.19] B.4b | Known trends affecting the **[**Issuer**][**Guarantor**]** and the industries in which it operates | The business development of VWFSAG Group is closely linked to the development of sales of VW Group (as defined below). The development of the automotive sector remains dependent on the global economic development, which continues to be shrouded in considerable uncertainty. The financial markets still entail risks resulting above all from the strained debt situation of many countries. The economic environment is expected to remain uncertain and volatile in the upcoming months. Additional requirements from increased regulations and legislations to prevent future financial crises may materially affect VWFSAG Group's business.<br>On 18 September 2015 and on 2 November 2015, the U.S. Environmental Protection Agency ("**EPA**") publicly announced in "**Notices of Violation**" of the U.S. Clean Air Act that irregularities had been discovered in emissions tests on certain Volkswagen Group vehicles with diesel engines. Also on 2 November 2015, and additionally on 25 November 2015, the California Air Resources Board ("**CARB**") published allegations that legal requirements for nitrogen oxide ("**NOx**") emissions were circumvented through the use of engine management software under test conditions. Following the publication of the EPA's "Notices of Violation" of the U.S. Clean Air Act, Volkswagen AG and other Volkswagen Group companies have been the subject of intense scrutiny, ongoing investigations (civil and criminal) and civil litigation. The ongoing and future investigations and litigation also resulted and may continue to result in actions being taken against certain members of the Volkswagen Group or some of its employees. Any of these actions could also have negative effects on VWFSAG's business. The Volkswagen Group is working intensively to eliminate the emissions |

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| | | deviations through technical measures and is cooperating with the relevant agencies.<br><br>Various repercussions could result for VWFSAG Group from the diesel issue. In turn, the diesel issue may have a negative impact on the future business and financial results of VWFSAG Group, the effect of which remains uncertain. |
| [B.19]<br>B.5 | Organisational structure | VWFSAG is a wholly-owned subsidiary of Volkswagen Aktiengesellschaft, Wolfsburg, Federal Republic of Germany ("**VW AG**" or "**Volkswagen AG**"). VW AG is the controlling company of Volkswagen Group ("VW Group" or Volkswagen Group" which consists of numerous subsidiaries and affiliates in the Federal Republic of Germany and abroad. VW Group consists of six operational units: "Volume", "Premium", "Super Premium", "Truck & Bus", "Procurement/Components" and "Financial Services" as well as the region China. The Financial Services unit where VWFSAG belongs to combines dealer and customer financing, leasing, banking and insurance activities, fleet management and mobility offerings.<br><br>Subsidiaries of VWFSAG are amongst others VWLGMBH, VWFSNV, VWFSJ and VWFSAL.<br><br>Dated 1 September 2017, VWFSAG completed a reorganisation of its structures under company law. The aim of the restructuring was to segregate the European lending and deposits business from the other financial services activities and to pool this business in Volkswagen Bank GmbH, now being a direct subsidiary of Volkswagen AG. The intention of the restructuring is to increase transparency and clarity for supervisory authorities, optimise the use of equity and reduce complexity. |
| [B.19]<br>B.9 | Profit forecasts or estimates | Not applicable; VWFSAG Group has not made any profit forecasts or estimates in the Prospectus. |
| [B.19]<br>B.10 | Qualifications in the audit report | Not applicable; there are no qualifications in the audit report of VWFSAG Group on its historical financial information. |
| [B.19]<br>B.12 | Selected historical key financial information regarding the **[**Issuer**][**Guarantor**]**, statement regarding trend information and significant changes in the financial or trading position of the **[**Issuer**][**Guarantor**]** | The following table shows selected financial information of VWFSAG Group extracted from the published audited consolidated financial statements as at and for the financial years ended 31 December 2017 and 2018 prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU:<br><br>Balance sheet data |

| | **31 December 2018** | **31 December 2017** |
|---|---|---|
| | in EUR million | |
| Total Assets | 80,462 | 68,953 |
| Receivables from customers attributable to | | |
| Retail financing | 16,676 | 16,269 |
| Dealer financing | 4,062 | 3,584 |

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| | | Leasing business | 19,760 | 18,809 |
| | | Leased Assets | 13,083 | 11,571 |
| | | Customer deposits | 75 | 69 |
| | | Equity | 8,016 | 7,624 |

Income statement data

| | 1 January – 31 December | |
|---|---|---|
| | **2018** | **2017** |
| | in EUR million | |
| Pre-tax result | 818 | 643 |
| Taxes on income and earnings | -270 | –122 |
| Profit from discontinued operations, net of tax | - | 384 |
| Net income | 548 | 904 |

There has been no material adverse change in the prospects of VWFSAG Group since the date of its last published audited consolidated financial statements as at 31 December 2018.

The diesel issue as well as other expenses or provisions in connection with diesel vehicles, including but not limited to residual values of cars and the debate about the prohibition of the use of diesel vehicles may have a negative impact on the future business and financial performance of VWFSAG Group, the effect of which remains uncertain.

A future transfer of assets and/or subsidiaries in context of the reorganization of the corporate structure, increased litigation and legal risks, including but not limited to the area of consumer credit law, which would be reflected in corresponding provisions as well as geopolitical tensions and conflicts, protectionist tendencies, turmoil in financial markets, structural deficits in individual countries as well as uncertainty regarding future developments in the euro area, such as the uncertain impacts of the United Kingdom's planned exit from the EU, may have a negative impact on the future business and financial performance of VWFSAG Group.

VWFSAG Group anticipates a slight increase in funding costs, greater levels of cooperation with the individual Group brands, increased cost optimization under the efficiency program, higher overhead cost caused by investments into the digitalization and a continued high degree of uncertainty regarding macroeconomic conditions in the real economy and its impact on factors such as risk costs.

Not applicable; there has been no significant change in the financial or trading position of VWFSAG Group since the date of its last published

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| | | audited consolidated financial statements as at 31 December 2018. |
| [B.19]<br>B.13 | Recent developments | In December 2018, VW AG's Board of Management decided and its Supervisory Board consented to a repayment of EUR 1 billion in equity capital from VWFSAG's capital reserves to VW AG, which thus led to a corresponding decrease of EUR 1 billion in VWFSAG's capital reserves by 31 December 2018. Additionally, VW AG's Board of Management decided and its Supervisory Board consented to a renewed contribution of EUR 1 billion to the capital reserves of VWFSAG by 30 June 2019 at the latest, which will thus lead to a corresponding increase in the capital reserves of VWFSAG. These two effects should have an offsetting effect on VWFSAG's capital reserves by 30 June 2019 at the latest. |
| [B.19]<br>B.14 | Dependence of the **[**Issuer**][**Guarantor**]** upon other entities within the group | see Element B.5.<br><br>The business development of VWFSAG Group is closely linked to the development of sales of VW Group.<br><br>A domination and profit and loss transfer agreement (*Beherrschungs- und Ergebnisabführungsvertrag*) between VW AG and VWFSAG came into effect on 25 September 1996 and has since then been amended and restated. According to this agreement, VW AG, as the parent company, is entitled to instruct VWFSAG's management board. VWFSAG is obliged to transfer its annual profit to VW AG after the end of each financial year. VW AG is obliged to compensate any occurring annual deficit of VWFSAG insofar as such deficit cannot be compensated by a withdrawal from the so-called "other retained earnings" of any sums which were allocated thereto during the term of the agreement.<br><br>Simultaneously, equivalent profit and loss transfer as well as domination and profit and loss transfer agreements exist between VWFSAG and various German based subsidiaries. |
| [B.19]<br>B.15 | A description of the **[**Issuer**][**Guarantor**]**'s principal activities | The object of the enterprise is the development, the sale and the processing of own and third party financial services at home and abroad, which are suitable for serving the promotion of the business of Volkswagen AG and the companies affiliated therewith, as defined in § 2 of the Articles of Association of VWFSAG.<br><br>The primary purpose of VWFSAG Group is the promotion of VW Group's sales and customer relation combined with the requirement of achieving a reasonable return on the capital employed.<br><br>Global activities of VWFSAG Group are allocated to five regions: Region Germany, Region Europe, Region International, Region China and Region Latin America.<br><br>The tasks of VWFSAG are primarily of a strategic nature, but also have a service function for the affiliated companies. Core business spheres are dealer and customers financing, leasing, insurance, fleet management and mobility services. |
| [B.19]<br>B.16 | Major shareholders | VWFSAG is a wholly-owned subsidiary of VWAG. |
| [B.19]<br>B. 17 | Ratings | VWFSAG is rated by Standard & Poor's ("**S&P**") and Moody's Investors Service ("**Moody's**").<br><br>As of the date of this Prospectus the ratings are as follows:<br><br>S&P: short-term senior unsecured: A-2<br>long-term senior unsecured: BBB+<br><br>Moody's: short-term senior unsecured: Prime-2<br>long-term senior unsecured: A3 |

| **Section C – Securities** | | |
|---|---|---|
| C.1 | Type and class of the securities being offered; security identification number | **Type of securities**<br><br>**[in the case of Fixed Rate Notes insert:**<br><br>The Notes bear a fixed interest income throughout the entire term of the Notes. **[**The Notes are issued with a **[**step-up**][**step-down**]** coupon where the interest rate will **[**increase**][**decrease**]** during the term of the Notes.**][**The Notes are zero coupon Notes and will not bear any periodic payment of interest.**]]**<br><br>**[in the case of Floating Rate Notes insert:**<br><br>The Notes will bear a variable interest income at a rate determined on the basis of a reference rate. The reference rate is **[**EURIBOR**][**LIBOR**][insert other reference rate]**.<br><br>**[**In addition, the applicable margin **[**is added to**] [**will be deducted from**]** the reference rate.**]**<br><br>**[**The rate of floating interest is subject to **[**a minimum**] [**and**] [**a maximum**]** rate of interest.**]]**<br><br>**[in the case of Fixed to Floating Rate Notes insert:**<br><br>The Notes bear a fixed interest income at the beginning of the term of the Notes changing to a floating interest income until maturity of the Notes. The reference rate for the floating rate interest periods is **[**EURIBOR**][**LIBOR**][insert other reference rate].**<br><br>**[**In addition, **[**the applicable margin **[**is added to**] [**will be deducted from**]** the reference rate for the floating rate interest periods.**]**<br><br>**[**The rate of floating interest is subject to **[**a minimum**] [**and**] [**a maximum**]** rate of interest.**]]**<br><br>**Class**<br><br>The Notes are unsecured.<br><br>**Security identification numbers**<br><br>The **[**temporary**]** ISIN is **[●] [**and the **[**temporary**]** Common Code is **[●]] [**and the **[**temporary**]** WKN is **[●]]**. |
| C.2 | Currency of the securities issue | The Notes are issued in **[●]**. |
| C.5 | Restrictions on free transferability | Each issue of Notes will be made in accordance with the laws, regulations and legal decrees and any restrictions applicable in the relevant jurisdiction. |
| C.8 | Rights attached to the securities including ranking and including limitations to those rights | **Rights attached to the Notes**<br><br>Each holder of the Notes has the right *vis-à-vis* the Issuer to claim payment of nominal and, if applicable, interest when such payments are due in accordance with the Terms and Conditions of the Notes.<br><br>**Governing law**<br><br>The Notes, as to form and content, and all rights and obligations of the Holders and the Issuer, shall in all respects be determined in accordance with German law.<br><br>**Events of Default**<br><br>The Notes will provide for events of default entitling Holders to demand immediate redemption of the Notes. |

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| | | **Ranking**<br><br>The Notes constitute unsecured and senior obligations of the Issuer and rank *pari passu* without any preference among themselves and *pari passu* with all other unsecured and senior obligations of the Issuer, unless statutory provisions provide otherwise.<br><br>**Early redemption of the Notes**<br><br>The Notes can be redeemed prior to their stated maturity **[**at the option of the**] [**Issuer**] [**,**] [**the Holders of the Notes**] [**and**] [**,**]** for taxation reasons **[**and**] [**for reason of a benchmark event**]**.<br><br>**Early redemption for taxation reasons**<br><br>Early Redemption of the Notes for reasons of taxation will be permitted, if as a result of any amendment to, or change in, the laws or regulations of **[in the case of Notes issued by Volkswagen Financial Services N.V. insert:** The Netherlands or**] [in the case of Notes issued by Volkswagen Financial Services Japan Ltd. insert:** Japan or**] [in the case of Notes issued by Volkswagen Financial Services Australia Pty Limited insert:** the Commonwealth of Australia or**]** the Federal Republic of Germany or any political subdivision or taxing authority thereto or therein affecting taxation or the obligation to pay duties of any kind, or any amendment to or change in an official interpretation or application of such laws or regulations, which amendment or change is effective on or after the Issue Date (as defined below under Element E.3), the Issuer **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** or the Guarantor**]** is required to pay Additional Amounts.<br><br>**[Early redemption for reason of a benchmark event**<br><br>The Notes may be redeemed, in whole but not in part, at the option of the Issuer upon not more than 60 days' nor less than 30 days' prior notice of redemption at their early redemption amount, together with interest accrued to the date fixed for redemption, together with interest (if any) accrued to the date fixed for redemption, if a benchmark event (i.e. a termination of, material methodological change in relation to, or prohibition on the use of, the reference rate for the interest rate) has occurred and it is not possible, in the Issuer's opinion, to determine a successor reference rate.**]**<br><br>**[Early Redemption at the option of the [Issuer] [and] [or] [the Holders] at specified redemption amount(s)**<br><br>The Notes can be redeemed at the option of the **[**Issuer**] [**and**] [**or**] [**the Holders**]** upon giving notice within the specified notice period to **[**the Holders**] [**or**] [**the Issuer**][**, as the case may be,**]** on a date or dates specified prior to such stated maturity and at the specified **[**call**] [**or**] [**put**]** redemption amount(s) **[**, as the case may be**]**, together with accrued interest, if any.**]**<br><br>**Negative Pledge**<br><br>The Terms and Conditions contain a negative pledge provision of the Issuer.<br><br>**Presentation Periods and Prescription**<br><br>The period during which the Notes must be duly presented is reduced to 10 years. The period of limitation for claims under the Notes presented during the period for presentation shall be two years calculated from the expiry of the presentation period.<br><br>**[Resolutions of the Holders**<br><br>In accordance with the German Act on Issues of Debt Securities dated 31 July 2009 ("**German Act on Issues of Debt Securities**") the Notes contain |

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| | | provisions pursuant to which holders may agree by resolution to amend the Terms and Conditions (with the consent of the Issuer) and to decide upon certain other matters regarding the Notes. Resolutions of the Holders properly adopted, by vote taken without a meeting in accordance with the Terms and Conditions, are binding upon all Holders. Resolutions providing for material amendments to the Terms and Conditions require a majority of not less than 75 per cent. of the votes cast.**]**<br><br>**[Common Representative**<br><br>**[**In accordance with the German Act on Issues of Debt Securities the Notes provide that the Holders may by majority resolution appoint a representative for all Holders (the "**Common Representative**"). The responsibilities and functions assigned to the Common Representative appointed by a resolution are determined by the German Act on Issues of Debt Securities and by majority resolutions of the Holders.**]**<br><br>**[**A representative for all holders (the "**Common Representative**") has been designated in the Terms and Conditions. The duties, rights and functions of the Common Representative are determined by the relevant provisions of the Terms and Conditions.**]]** |
| C.9 | Interest; Redemption; Yield; Maturity Date **[**Name of representative of the Holders**]** | **see Element C.8.**<br><br>**Redemption Amount**[2]<br><br>**[●]** per specified denomination.<br><br>**[Early Redemption Amount**<br><br>**[**Redemption Amount**] [●].]**<br><br>**Interest Rate**<br><br>**[In the case of Fixed Rate Notes other than zero coupon Notes with a constant interest rate insert: [●]** per cent. *per annum* .**]**<br><br>**[In the case of Fixed Rate Notes other than Zero Coupon Notes with different specified fixed interest rates for specified interest periods (step-up/step-down) insert: [●]** per cent. *per annum* for the period from **[●]** to **[●] [and][,] [[●]** per cent. *per annum* for the period from **[●]** to **[●].]**<br><br>**[In the case of zero coupon Notes insert:** No periodic payments of interest.**]**<br><br>**[In the case of Floating Rate Notes insert: [[●]**-months**][**EURIBOR**] [**LIBOR**][insert other reference rate] [[**plus**][**minus**]** the margin of **[●]** per cent.**]**. **[**The maximum interest rate is **[●]** per cent. *per annum*.**] [**The minimum interest rate is **[●]** per cent. *per annum*.**]]**<br><br>**[In the case of Fixed to Floating Rate Notes insert:** For the period from **[●]** to **[●]** the rate of fixed interest is **[●]** per cent. *per annum.* Thereafter, for the period from **[●]** to maturity of the Notes the rate of floating interest is the **[[●]**-months**][**EURIBOR**] [**LIBOR**] [insert other reference rate] [[**plus**][**minus**]** the margin of **[●]** per cent.**][**, whereby **[**the maximum interest rate is **[●]** per cent. *per annum*] **[**and**] [**the minimum interest rate is **[●]** per cent. *per annum*]].]**<br><br>**Interest Commencement Date**<br><br>**[In the case of Notes other than Zero Coupon Notes insert: [**The Issue Date (as defined below under Element E.3.)**][specify other date]] [In the case of Zero Coupon Notes insert:** Not applicable.**]**<br><br>**Interest Payment Dates** |

[2] The Redemption Amount shall at least be equal to the nominal value.

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| | | **[●][In the case of Zero Coupon Notes insert:** Not applicable.**]**<br><br>**Underlying on which the interest rate is based**<br><br>**[In the case of Fixed Rate Notes insert:** Not applicable. The interest rate is not based on an underlying.**] [In the case of Floating Rate Notes insert: [[●]**-months**] [**EURIBOR**] [**LIBOR**][insert other reference rate]]**. **[In the case of Fixed to Floating Rate Notes insert:** During the floating rate interest period, the interest rate is based on the **[[●]**-months**] [**EURIBOR**] [**LIBOR**] [insert other reference rate]]**.<br><br>**[Maturity Date: [●]][Interest Payment Date falling in [●]]**<br><br>**Repayment procedures**<br><br>Payment of principal in respect of Notes shall be made to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System.<br><br>**Indication of yield**<br><br>**[[●]**%**][In the case of Floating Rate Notes insert:** Not applicable. No yield is calculated.**]**<br><br>**[Name of Common Representative: [●]]** |
| C.10 | Derivative component in interest payment | **see Element C.9.**<br><br>Not applicable. The interest payment has no derivative component. |
| C.11 | Admission to trading | **[**Not applicable, as no application for admission to trading is made.**] [**The regulated market of the Luxembourg Stock Exchange (*Bourse de Luxembourg*).**] [insert other regulated market]** |
| **Section D – Risks** | | |
| D.2 | Key information on the key risks that are specific to the Issuer **[**and the Guarantor**]** | **[1. Risk Factors relating to VWLGMBH as Issuer]**<br><br>Volkswagen Group is facing investigations and potential impacts out of discrepancies related to the diesel issue that have had and may continue to have a material adverse effect on the business, financial condition and operations of VWLGMBH.<br><br>Demand for VWLGMBH's products and services depend upon the overall economic situation, which in turn can be impacted by market volatility, macroeconomic trends, protectionist tendencies and other risks.<br><br>VWLGMBH as a captive finance company, is by nature dependent on sales by Volkswagen Group, meaning any risk that is negatively influencing the vehicle delivery of Volkswagen Group may have adverse effects on the business of VWLGMBH.<br><br>VWLGMBH is exposed to strategic risks that could arise from unfavorable decisions on business development, products, pricing, investments in infrastructure or personnel.<br><br>Deviations between expected and realized profit and loss may lead to earnings risks for VWLGMBH.<br><br>A change in consumer preferences or additional governmental regulations may have an adverse effect on VWLGMBH's business activities.<br><br>Wrong product decisions linked to regulatory or competitive criteria could lead to lower product profitability due to missed customer needs, reputational damage or fines and finally may have negative effects on the overall business of VWLGMBH.<br><br>VWLGMBH may not be able to keep pace with the process of digitalisation, which may have an adverse effect on the business, financial condition and |

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| | | results of operations of VWLGMBH.<br><br>VWLGMBH is exposed to the risk that its customers or other contractual counterparties may default or that the credit quality of its customers or other contractual counterparties may deteriorate.<br><br>A decrease in the residual values or the sales proceeds of returned vehicles could have a material adverse effect on the business, financial condition and results of operations of VWLGMBH.<br><br>VWLGMBH is exposed to concentrations of risk, such as counterparties, collaterals or incomes that are typical for a captive finance company.<br><br>VWLGMBH is exposed to operational risks, such as process risks, personnel risks, technology risks and external risks that could have negative effects on its business.<br><br>Dependency on service providers and on contracted services that may be rendered incompletely or not at all could have negative effects on the business operations of VWLGMBH.<br><br>VWLGMBH is exposed to litigation risks that may result from legal disputes, governmental investigations or other official proceedings with various stakeholders.<br><br>VWLGMBH may not be able to use its trademarks / intellectual property rights or to adequately protect its intellectual property and could be liable for infringement of third-party intellectual property.<br><br>Increased regulations and measures could affect business profitability and results of operations of VWLGMBH.<br><br>As part of VWFSAG Group, VWLGMBH is exposed to the risk of higher regulatory costs and reduced levels of activities resulting from the supervision of banks.<br><br>VWLGMBH has to comply with comprehensive and constantly changing government regulations which bears the risk that laws are not being adhered to properly or efficiently.<br><br>The compliance and risk management systems of VWLGMBH may prove to be inadequate to prevent and discover breaches of laws, regulations and internal standards or might not be able to identify measure and take appropriate countermeasures against all relevant risks.<br><br>VWLGMBH is exposed to interest rate risk and foreign currency risk.<br><br>The business of VWLGMBH requires substantial funding and liquidity, and disruption in VWLGMBH's funding sources or access to the capital markets could have a material adverse effect on its business, liquidity, cash flows, financial condition and results of operations.<br><br>The credit ratings of Notes issued by VWLGMBH are subject to changes of Volkswagen AG's and VWFSAG's credit ratings. Negative changes to Volkswagen AG's or VWFSAG's credit ratings could adversely affect the credit ratings of securities issued by VWLGMBH and in turn VWLGMBH's funding costs, financial condition and results of operation.<br><br>VWLGMBH is exposed to the risk of insufficient insurance coverage that may arise due to higher than expected damages or intentionally uninsured risks.<br><br>Tax laws and their interpretation may adversely affect VWLGMBH's financial condition and results of operations.<br><br>VWLGMBH could be adversely affected by an event or several successive events that might cause reputational damage.<br><br>VWLGMBH could face risks resulting from its supply of collateral for poten- |

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| | | tial intergroup refinancing provided by Volkswagen Bank.<br><br>In the course of the implemented reorganisation project, a separation of the credit and deposit taking business from the Non-credit business within the European Economic Area has been carried out. Arising from this separation, VWLGMBH could be affected by various risks such as operational risks, legal risks or regulatory risks.] |
| | | **[1. Risk Factors relating to VWFSNV as Issuer**<br><br>Volkswagen Group is facing investigations and potential impacts out of discrepancies related to the diesel issue that have had and may continue to have a material adverse effect on the business, financial condition and operations of VWFSNV.<br><br>Disruptions and declines in the global economy, geopolitical tensions and country specific challenges might have negative effects on the business of VWFSNV.<br><br>The prospective withdrawal of the UK from the EU could adversely affect the economic conditions in UK, Europe and globally and in particular the British and European markets and thus, may have a negative impact on the business, financial condition and results of operations of VWFSAG Group.<br><br>VWFSNV is exposed to strategic risk that could arise from unfavorable decisions on business development, products, pricing, investments in infrastructure or personnel.<br><br>Deviations between expected and realized profit and loss may lead to earnings risk for VWFSNV.<br><br>VWFSNV is exposed to the risk that its borrowers may default or that the credit quality of its borrowers or other contractual counterparties may deteriorate.<br><br>VWFSNV is exposed to operational risks, such as process risks, personnel risks, technology risks and external risks that could have negative effects on its business.<br><br>Dependency on service providers and on contracted services that may be rendered incompletely or not at all could have negative effects on the business operations of VWFSNV.<br><br>VWFSNV is exposed to litigation risk that may result from legal disputes, governmental investigations or other official proceedings with various stakeholders.<br><br>Local regulations and measures could affect business profitability and result of operations of VWFSNV.<br><br>VWFSNV has to comply with comprehensive and constantly changing government regulations which bears the risk that laws are not being adhered to properly or efficiently.<br><br>The compliance and risk management systems of VWFSNV may prove to be inadequate to prevent and discover breaches of laws, regulations and internal standards or might not be able to identify measure and take appropriate countermeasures against all relevant risks.<br><br>VWFSNV is exposed to various market risks, which consist of interest rate risk and foreign currency risk.<br><br>The business of VWFSNV requires substantial funding and liquidity and disruption in VWFSNV's funding sources or access to the capital markets could have a material adverse effect on its business, liquidity, cash flows, financial condition and results of operations.<br><br>The credit ratings of Notes issued by VWFSNV are subject to changes of Volkswagen AG's or VWFSAG's credit ratings. Negative changes to |

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| | | Volkswagen AG's or VWFSAG's credit ratings could adversely affect the credit ratings of securities issued by VWFSNV and in turn VWFSNV's funding costs, financial condition and results of operation.<br><br>Tax laws and their interpretation in The Netherlands and in countries in which counterparties are located with which VWFSNV has business relationships may adversely affect VWFSNV's financial condition and result of operations.<br><br>VWFSNV could be adversely affected by an event or several successive events that might cause reputational damage.**]** |
| | | **[1. Risk Factors relating to VWFSAL as Issuer**<br><br>Volkswagen Group is facing investigations and potential impacts out of discrepancies related to the diesel issue that have had and may continue to have a material adverse effect on the business, financial condition and operations of VWFSAL.<br><br>Demand for VWFSAL´s products and services depend upon the overall economic situation, which in turn can be impacted by market volatility, macroeconomic trends, protectionist tendencies and other risks.<br><br>VWFSAL, as a captive finance company, is by nature dependent on sales by Volkswagen Group, meaning any risk that is negatively influencing the vehicle delivery of Volkswagen Group may have adverse effects on the business of VWFSAL.<br><br>VWFSAL is exposed to strategic risks that could arise from unfavorable decisions on business development, products, pricing, investments in infrastructure or personnel.<br><br>Deviations between expected and realized profit and loss may lead to earnings risks for VWFSAL.<br><br>A change in consumer preferences or additional governmental regulations may have an adverse effect on VWFSAL's business activities.<br><br>Wrong product decisions linked to regulatory or competitive criteria could lead to lower product profitability due to missed customer needs, reputational damage or fines and finally may have negative effects on the overall business of VWFSAL.<br><br>VWFSAL may not be able to keep pace with the process of digitalisation, which may have an adverse effect on the business, financial condition and results of operations of VWFSAL.<br><br>VWFSAL is exposed to the risk that its customers or other contractual counterparties may default or that the credit quality of its customers or other contractual counterparties may deteriorate.<br><br>A decrease in the residual values or the sales proceeds of returned vehicles could have a material adverse effect on the business, financial condition and results of operations of VWFSAL.<br><br>VWFSAL is exposed to concentrations of risk, such as counterparties, collateral or income that are typical for a captive finance company.<br><br>VWFSAL is exposed to operational risks, such as process risks, personnel risks, technology risks and external risks that could have negative effects on its business.<br><br>Dependency on service providers and on contracted services that may be rendered incompletely or not at all could have negative effects on the business operations of VWFSAL<br><br>VWFSAL is exposed to litigation risks that may result from legal disputes, governmental investigations or other official proceedings with various |

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| | | stakeholders.<br><br>VWFSAL may not be able to use its trademarks/ intellectual property rights or to adequately protect its intellectual property and could be liable for infringement of third-party intellectual property.<br><br>Increased regulations and measures could affect business profitability and result of operations of VWFSAL.<br><br>VWFSAL has to comply with comprehensive and constantly changing government regulations which bears the risk that laws are not being adhered to properly or efficiently.<br><br>The compliance and risk management systems of VWFSAL may prove to be inadequate to prevent and discover breaches of laws, regulations and internal standards or might not be able to identify, measure and take appropriate countermeasures against all relevant risks.<br><br>VWFSAL is exposed to interest rate risk.<br><br>The business of VWFSAL requires substantial funding and liquidity, and disruption in VWFSAL's funding sources or access to the capital markets could have a material adverse effect on its business, liquidity, cash flows, financial condition and results of operations.<br><br>The credit ratings of Notes issued by VWFSAL are subject to changes of Volkswagen AG's or VWFSAG's credit ratings. Negative changes to Volkswagen AG's or VWFSAG's credit ratings could adversely affect the credit ratings of securities issued by VWFSAL and in turn VWFSAL's funding costs, financial condition and results of operation. VWFSAL is exposed to the risk of insufficient insurance coverage that may arise due to higher than expected damages or intentionally uninsured risks.<br><br>Tax laws and their interpretation may adversely affect the financial condition and results of operations.<br><br>VWFSAL could be adversely affected by an event or several successive events that might cause reputational damage.**]** |
| | | **[1.][2.] Risk Factors relating to VWFSAG as [Issuer][Guarantor]**<br><br>Volkswagen Group is facing investigations and potential impacts out of discrepancies related to the diesel issue that have had and may continue to have a material adverse effect on the business, financial condition and operations of VWFSAG Group.<br><br>Demand for VWFSAG Group´s products and services depend upon the overall economic situation, which in turn can be impacted by market volatility, macroeconomic trends, protectionist tendencies and other risks.<br><br>The prospective withdrawal of the UK from the EU could adversely affect the economic conditions in UK, Europe and globally and in particular the British and European markets and, thus, may have a negative impact on the business, financial condition and results of operations of VWFSAG Group.<br><br>VWFSAG Group as a captive is by nature dependent on sales by Volkswagen Group, meaning any risk that is negatively influencing the vehicle delivery of Volkswagen Group may have adverse effects on the business of VWFSAG Group.<br><br>VWFSAG Group is exposed to strategic risks that could arise from unfavorable decisions on business development, products, pricing, investments in infrastructure or personnel.<br><br>Deviations between expected and realized profit and loss may lead to earnings risks for VWFSAG Group.<br><br>A change in consumer preferences or additional governmental regulations |

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| | | may have an adverse effect on VWFSAG Groups' business activities.<br><br>Wrong product decisions linked to regulatory or competitive criteria could lead to lower product profitability due to missed customer needs, reputational damage or fines and finally may have negative effects on the overall business of VWFSAG Group.<br><br>VWFSAG Group may not be able to keep pace with the process of digitalisation, which may have an adverse effect on the business, financial condition and results of operations of VWFSAG Group<br><br>VWFSAG Group is exposed to the risk that its customers or other contractual counterparties may default or that the credit quality of its customers or other contractual counterparties may deteriorate.<br><br>A decrease in the residual values or the sales proceeds of returned vehicles could have a material adverse effect on the business, financial condition and results of operations of VWFSAG Group.<br><br>VWFSAG Group is exposed to concentrations of risk, such as counterparties, collateral or income that are typical for a captive finance company.<br><br>VWFSAG Group is exposed to operational risks, such as process risks, personnel risks, technology risks and external risks that could have negative effects on its business.<br><br>Dependency on service providers and on contracted services that may be rendered incompletely or not at all could have negative effects on the business operations of VWFSAG Group.<br><br>VWFSAG Group is exposed to litigation risks that may result from legal disputes, governmental investigations or other official proceedings with various stakeholders.<br><br>VWFSAG Group may not be able to use its trademarks / intellectual property rights or to adequately protect its intellectual property and could be liable for infringement of third-party intellectual property.<br><br>Local regulations and measures, including increased capital requirements could affect business profitability and results of operations of VWFSAG Group.<br><br>VWFSAG Group has to comply with comprehensive and constantly changing government regulations which bears the risk that laws are not being adhered to properly or efficiently.<br><br>The compliance and risk management systems of VWFSAG Group may prove to be inadequate to prevent and discover breaches of laws, regulations and internal standards or might not be able to identify, measure and take appropriate countermeasures against all relevant risks.<br><br>VWFSAG is liable to the Bundesverband deutscher Banken e.V. (Association of German Banks) if the latter incurs losses as a result of having provided assistance to Volkswagen Bank.<br><br>VWFSAG Group is exposed to various market risks, which consist of interest rate risk, foreign currency risk as well as fund and asset price risk.<br><br>The business of VWFSAG Group requires substantial funding and liquidity, and disruption in VWFSAG Group's funding sources or access to the capital markets could have a material adverse effect on its business, liquidity, cash flows, financial condition and results of operations.<br><br>The credit ratings of VWFSAG are inter alia subject to changes of Volkswagen AG's credit ratings. Negative changes to Volkswagen AG's credit ratings could adversely affect the credit ratings of VWFSAG as well as the credit ratings of securities issued by VWFSAG. This could in turn adversely affect VWFSAG Group's funding costs, financial condition and |

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| | | results of operation.<br><br>VWFSAG Group is exposed to the risk of insufficient insurance coverage that may arise due to higher than expected damages or intentionally uninsured risks.<br><br>In relation to its insurance business VWFSAG Group faces premium and reserve risks and risks due to brokerage business.<br><br>Tax laws and their interpretation may adversely affect VWFSAG Group´s financial condition and results of operations.<br><br>VWFSAG Group could be adversely affected by impacts of changes to accounting standards.<br><br>VWFSAG Group could be adversely affected by an event or several successive events that might cause reputational damage.<br><br>In the course of the implemented reorganisation project, a separation of the credit and deposit taking business from the Non-credit business within the European Economic Area has been carried out. Arising from this separation, VWFSAG could be affected by various risks such as operational risks, legal risks or regulatory risks. |
| D.3 | Key information on the key risks that are specific to the securities | **General Risks regarding the Notes**<br><br>Some Notes are complex financial instruments. A potential investor should not invest in Notes unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.<br><br>The Notes may be listed or unlisted and no assurance can be given that a liquid secondary market for the Notes will develop or continue. In an illiquid market, an investor may not be able to sell his Notes at any time at fair market prices.<br><br>The Holder of Notes is exposed to the risk of an unfavourable development of market prices of its Notes which materializes if the Holder sells the Notes prior to the final maturity of such Notes.<br><br>If the Issuer has the right to redeem the Notes prior to the Maturity Date, a Holder of such Notes is exposed to the risk that due to early redemption his investment will have a lower than expected yield and/or that the market price of the Notes is negatively affected.<br><br>A Holder of a Note denominated in a foreign currency is exposed to the risk of changes in currency exchange rates which may affect the yield and/or the redemption amount of such Notes. **[**In case of Notes denominated in Turkish Lira the Holders of such Notes should note that the Issuer might in specific circumstances beyond the Issuer's control not be able to fulfill its obligation to pay interest and principal in Turkish Lira so that the Issuer may settle any such payment in U.S. Dollar at the U.S. Dollar equivalent of any such Turkish Lira denominated amount.**]**<br><br>The Issuer may at any time, without the consent of the Holders, be substituted as principal debtor in respect of all obligations arising from or in connection with the Notes.<br><br>Should the German Act on Issues of Debt Securities apply to the Notes, the Terms and Conditions of such Notes may be modified by resolution of the Holders passed by the majority stated in the relevant Terms and Conditions or, as the case may be, stipulated by the German Act on Issues of Debt Securities. Holders therefore bear the risk that the initial Terms and Conditions of the Notes may be modified to their individual disadvantage.<br><br>Potential purchasers and sellers of the Notes may be required to pay taxes or other documentary charges or duties in accordance with the laws and |

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| | | practices of the country where the Notes are transferred or other jurisdictions.<br><br>Holders of the Notes may not be entitled to receive grossed-up amounts to compensate for tax, duty, withholding or other payment.<br><br>The acquisition of the Notes might be subject to legal restrictions which may affect the validity of the purchase.<br><br>Even if the Notes may have the benefit of an unconditional and irrevocable guarantee there can be no assurance that the proceeds from the enforcement of the Guarantee will be sufficient to satisfy the obligations under the Notes.<br><br>**[**A Holder of Notes linked to a reference rate is exposed to the risk that changes to the reference rates as a result of the regulation and reform of Benchmarks could have a material adverse effect on the market value of and the yield on any Notes linked to such a reference rate. In this respect, Holders should note that the original reference rate may be replaced with a successor reference rate and may furthermore be subject to the risk of early redemption if in the case of a benchmark event such a replacement fails.**]**<br><br>**[Risks regarding Fixed Rate Notes**<br><br>**[**Holders of Fixed Rate Notes are exposed to the risk that the price of such Note falls as a result of changes in the market interest rate. It is possible that the yield of a Fixed Rate Note at the time of the issuance is negative, in particular if the interest rate is zero per cent. or close to zero per cent., and/or if the issue price is higher than 100 per cent. of the principal amount.**]**<br><br>**[**Holders of Zero Coupon Notes are exposed to the risk that the price of such Note falls as a result of changes in the market interest rate. Prices of Zero Coupon Notes are more volatile than prices of Fixed Rate Notes and are likely to respond to a greater degree to market interest rate changes than interest bearing notes with a similar maturity.**]]**<br><br>**[Risks regarding Floating Rate Notes**<br><br>Holders of Floating Rate Notes are exposed to the risk of fluctuating interest rate levels which make it impossible to determine the yield of Floating Rate Notes in advance and to the risk of uncertain interest income. The market value of structured Floating Rate Notes may be more volatile than for conventional Floating Rate Notes.**]**<br><br>**[Risks relating to Fixed to Floating Rate Notes**<br><br>Holders of Fixed to Floating Rate Notes are exposed to the risks associated with Fixed Rate Notes and additionally to the risks associated with Floating Rate Notes. As a result Holders may be exposed to a higher risk.**]** |
| **Section E – Offer** | | |
| E.2b | Reasons for the offer and use of proceeds when different from making profit | **[**The net proceeds from each issue of Notes will be primarily used for core business activities of VWFSAG Group.**] [●]** |
| E.3 | Description of the terms and conditions of the offer | **[**Issue Date: **[●]]**<br><br>**[**Issue Price: **[●]]**<br><br>**[**Offer Period**: [●]]**<br><br>**[**Other Terms and Conditions of the Offer are **[●]]** |
| E.4 | Any interest that is material to the issue/offer including | **[**Not applicable. There are no such interests.**]**<br><br>**[**So far as the Issuer is aware, no natural and/or legal persons involved in the offer of the Notes have an interest material to the offer, except that |

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| | conflicting interests | certain Dealers and their affiliates may be customers of, and borrowers from and creditors of the Issuer and its affiliates. In addition, certain Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for the Issuer and its affiliates in the ordinary course of business, including hedging and market making activities in relation to the Notes and/or other securities or instruments issued by the Issuer or its affiliates.**] [●]** |
| E.7 | Estimated expenses charged to the investor by the Issuer or the offeror | **[**Not applicable. There are no expenses charged to the investor by the Issuer or the offeror.**] [**None.**] [insert details]** |

# German Translation of the Summary

**Zusammenfassungen sind zusammengesetzt aus Offenlegungspflichten, die als Punkte bekannt sind. Diese Punkte sind in die Abschnitte A-E (A.1 – E.7) nummeriert.**

**Diese Zusammenfassung enthält alle Punkte, die in eine Zusammenfassung für diese Art von Wertpapieren und für Emittenten dieses Typs aufzunehmen sind. Da einige Punkte nicht zu berücksichtigen sind, ist die Nummerierung zum Teil nicht durchgängig und es kann zu Lücken kommen.**

**Auch wenn ein Punkt aufgrund der Art des Wertpapiers bzw. für Emittenten dieses Typs in die Zusammenfassung aufgenommen werden muss, ist es möglich, dass bezüglich dieses Punkts keine relevante Information zu geben ist. In diesem Fall enthält die Zusammenfassung an der entsprechenden Stelle eine kurze Beschreibung der Schlüsselinformation und den Hinweis "Nicht anwendbar".**

**[*Die folgende Zusammenfassung enthält durch eckige Klammern oder Kursivschreibung gekennzeichnete Optionen und Leerstellen bezüglich der Schuldverschreibungen, die unter dem Prospekt begeben werden können. Die Zusammenfassung der einzelnen Emission der Schuldverschreibungen wird den Endgültigen Bedingungen beigefügt sein und ausschließlich die für die jeweilige Emission von Schuldverschreibungen relevanten Optionen enthalten. Weiterhin werden in der Zusammenfassung der einzelnen Emission die in der nachfolgenden Zusammenfassung enthaltenen Leerzeichen ("●"), die für die konkrete Emission relevant sind, ausgefüllt werden.*][3]**

| **Abschnitt A - Einleitung und Warnhinweise** | | |
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| A.1 | **Warnhinweise, dass:**<br>die Zusammenfassung als Einleitung zum Prospekt verstanden werden sollte;<br>sich der Anleger bei jeder Entscheidung in die Schuldverschreibungen zu investieren, auf den Prospekt als Ganzen stützen sollte;<br>ein Anleger, der wegen der in dem Prospekt enthaltenen Angaben Klage einreichen will, nach den nationalen Rechtsvorschriften seines Mitgliedstaats möglicherweise für die Übersetzung des Prospekts aufkommen muss, bevor das Verfahren eingeleitet werden kann; und<br>zivilrechtlich nur die Emittentin haftet, die die Zusammenfassung samt etwaiger Übersetzungen vorgelegt und übermittelt hat, und dies auch nur für den Fall, dass die Zusammenfassung verglichen mit den anderen Teilen des Prospekts irreführend, unrichtig oder inkohärent ist oder verglichen mit den anderen Teilen des Prospekts wesentliche Angaben, die in Bezug auf Anlagen in die betreffenden Wertpapiere für die Anleger eine Entscheidungshilfe darstellen, vermissen lassen. | |
| A.2 | Zustimmung zur Verwendung des Prospekts | **[**Nicht anwendbar.Die Zustimmung wurde nicht erteilt.**][**Die Emittentin stimmt der Verwendung des Prospekts durch alle Kreditinstitute zu (Generalkonsens). Sie erklärt, dass sie die Haftung für den Inhalt des Prospekts auch hinsichtlich einer späteren Weiterveräußerung oder endgültigen Platzierung von Schuldverschreibungen durch Kreditinstitute übernimmt, die die Zustimmung zur Verwendung des Prospekts erhalten haben, vorausgesetzt jedoch, dass der Prospekt in Übereinstimmung mit Artikel 11 des Luxemburger Wertpapierprospektgesetzes (Loi relative aux prospectus pour valeurs mobilières), welches die Richtlinie 2003/71/EG des Europäischen Parlaments und des Rates vom 4. November 2003 (geändert durch Richtlinie 2010/73/EU des Europäischen Parlaments und des Rates vom 24. November 2010) umsetzt, noch gültig ist.<br>Der Generalkonsens zu der späteren Weiterveräußerung oder der endgültigen Platzierung der Schuldverschreibungen durch Kreditinstitute wird nur in Bezug auf öffentliche Angebote in **[**Luxemburg**][**,**][**und**]** |

[3] Im Fall einer Zusammenfassung für eine einzelne Emission von Schuldverschreibungen zu löschen.

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| | | **[**Deutschland**][,] [**und**] [**den Niederlanden**][,] [**und**] [**im Vereinigten Königreich**][,] [**und**] [**Irland**][,] [**und**] [**Österreich**] ([**das "**Angebotsland**"][**die "**Angebotsländer**"]**) erteilt.<br><br>Die spätere Weiterveräußerung oder endgültige Platzierung der Wertpapiere durch Kreditinstitute kann während des Zeitraums ab **[**einschließlich**] [Datum einfügen] [**bis**[**einschließlich**] [Datum einfügen]]** (die "**Angebotsfrist**") erfolgen.<br><br>**[**Zudem erteilt die Emittentin ihre Zustimmung zur Weiterveräußerung oder der endgültigen Platzierung der entsprechenden Wertpapiere in **[**dem Angebotsland**] [**den Angebotsländern**]** bis zum Ende der Angebotsfrist durch sämtliche Finanzintermediäre (Individualkonsens), deren Name und Adresse auf der Website der Volkswagen Financial Services Aktiengesellschaft (www.vwfs.com) veröffentlicht werden.**]**<br><br>Falls ein Kreditinstitut ein öffentliches Angebot macht, wird dieses Kreditinstitut die Anleger zum Zeitpunkt der Angebotsvorlage über die Angebotsbedingungen unterrichten.<br><br>**Jedes den Prospekt auf Basis des Generalkonsenses für öffentliche Angebote verwendende Kreditinstitut hat auf seiner Website anzugeben, dass es den Prospekt mit Zustimmung und gemäß den Bedingungen verwendet, an die die Zustimmung gebunden ist.]** |
| **Abschnitt B – Emittent** | | |
| **[1. Informationen bezüglich der Volkswagen Leasing GmbH als Emittentin** | | |
| B.1 | Juristische und kommerzielle Bezeichnung der Emittentin | Volkswagen Leasing GmbH ("**VWLGMBH**") |
| B.2 | Sitz, Rechtsform, Rechtsordnung, Land der Gründung | **Sitz**<br><br>Der Sitz der VWLGMBH ist Braunschweig, Bundesrepublik Deutschland.<br><br>**Rechtsform**<br><br>Gesellschaft mit beschränkter Haftung nach deutschem Recht.<br><br>**Rechtsordnung**<br><br>Deutsches Recht<br><br>**Land der Gründung**<br><br>Die VWLGMBH wurde in der Bundesrepublik Deutschland gegründet. |
| B.4b | Trends, die sich auf die Emittentin und die Branchen, in denen sie tätig ist, auswirken | Der Geschäftsverlauf der VWLGMBH ist eng verbunden mit der Absatzentwicklung des VW Konzerns (wie nachstehend definiert). Die Entwicklung der Automobilbranche wird stark vom Verlauf der Weltwirtschaft bestimmt, der weiterhin mit großen Unsicherheiten behaftet ist. Von den Finanzmärkten gehen nach wie vor Risiken aus, die sich insbesondere aus der weiter angespannten Verschuldungssituation vieler Länder ergeben. Für die kommenden Monate wird ein weiterhin unsicheres und volatiles wirtschaftliches Umfeld erwartet. Zusätzliche regulatorische und gesetzliche Anforderungen zur Vermeidung künftiger Finanzkrisen können einen materiellen Effekt auf das Geschäft der VWLGMBH ausüben.<br><br>Die Dieselthematik könnte vielfältige Auswirkungen auf den VWFSAG Konzern und die VWLGMBH haben. So könnte die Dieselthematik auch einen negativen Einfluß auf das zukünftige Geschäfts- und Finanzergebnis der VWLGMBH haben, deren Ausmaß ungewiss bleibt. |

<table>
<tr><td>B.5</td><td>Konzernstruktur</td><td>Die VWLGMBH ist eine 100 % -ige Tochtergesellschaft der Volkswagen Financial Services Aktiengesellschaft, Braunschweig, Bundesrepublik Deutschland ("VWFSAG"). Die Anteile werden direkt durch die VWFSAG gehalten. Obergesellschaft der VWFSAG ist die Volkswagen Aktiengesellschaft, Wolfsburg, Bundesrepublik Deutschland ("VW AG" oder “Volkswagen AG“). Die VW AG ist die Holdinggesellschaft des Volkswagen Konzerns (“VW Konzern” oder “Volkswagen Konzern“), der aus mehreren Tochtergesellschaften und Filialen in der Bundesrepublik Deutschland und im Ausland besteht.</td></tr>
<tr><td>B.9</td><td>Gewinnprognosen oder -schätzungen</td><td>Nicht anwendbar. VWLGMBH hat keine Gewinnprognosen oder –einschätzungen im Prospekt aufgenommen.</td></tr>
<tr><td>B.10</td><td>Beschränkungen im Bestätigungsvermerk</td><td>Nicht anwendbar. Es existieren keine Beschränkungen im Prüfungsbericht der VWLGMBH bezüglich ihrer historischen Finanzinformationen.</td></tr>
<tr><td>B.12</td><td>Ausgewählte wesentliche historische Finanzinformationen über die Emittentin, Erklärung zu Trendinformationen sowie wesentliche Veränderungen der Finanzlage oder Handelsposition der Emittentin</td><td>Die folgende Tabelle enthält ausgewählte Finanzinformationen zur VWLGMBH aus dem geprüften und veröffentlichten nicht-konsolidierten Jahresabschluss für die zum 31. Dezember 2017 und 2018 beendeten Geschäftsjahre:<br><br>Bilanzangaben<br><br>
<table>
<tr><th></th><th>31. Dezember 2018</th><th>31. Dezember 2017</th></tr>
<tr><td></td><td>EUR 000</td><td></td></tr>
<tr><td>Summe der Aktiva</td><td>37.486.382</td><td>32.218.349</td></tr>
<tr><td>Leasingvermögen</td><td>27.739.373</td><td>26.048.897</td></tr>
<tr><td>Eigenkapital</td><td>222.359</td><td>222.359</td></tr>
<tr><td>Verbindlichkeiten gegenüber Kunden</td><td>16.716.105</td><td>13.482.960</td></tr>
<tr><td>Verbriefte Verbindlichkeiten</td><td>12.178.369</td><td>10.488.689</td></tr>
</table>
<br>Gewinn- und Verlustrechnung<br><br>
<table>
<tr><th></th><th colspan="2">1. Januar – 31. Dezember</th></tr>
<tr><th></th><th>2018</th><th>2017</th></tr>
<tr><td></td><td>EUR 000</td><td></td></tr>
<tr><td>Leasingerträge</td><td>17.508.774</td><td>15.848.481</td></tr>
<tr><td>Leasingaufwendungen</td><td>9.986.389</td><td>9.326.472</td></tr>
<tr><td>Ergebnis der normalen Geschäftstätigkeit</td><td>281.073</td><td>–525.354</td></tr>
<tr><td>Bilanzgewinn</td><td>649</td><td>649</td></tr>
</table>
<br>Seit dem Datum des letzten geprüften und veröffentlichten, nicht-</td></tr>
</table>

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| | | konsolidierten Jahresabschlusses zum 31. Dezember 2018 ist keine wesentliche negative Veränderung in den Aussichten der VWLGMBH eingetreten.<br><br>Die Dieselthematik und weitere Aufwände bzw. Vorsorge im Zusammenhang mit Dieselfahrzeugen, inklusive jedoch nicht abschließend in Bezug auf Restwerte der Fahrzeuge, sowie die Diskussion um Fahrverbote für Dieselfahrzeuge können negative Auswirkungen auf die zukünftige Geschäftsentwicklung und die Finanz- und Ertragslage der VWLGMBH haben, deren Auswirkungen ungewiss bleiben.<br><br>Erhöhte Rechts- und Prozessrisiken, inklusive jedoch nicht abschließend, auf dem Gebiet des Verbraucherkreditgesetzes, welche sich in entsprechenden Rückstellungen reflektieren würde, geopolitische Spannungen und Konflikte, protektionistische Tendenzen, Turbulenzen auf den Finanzmärkten, strukturelle Defizite in einzelnen Ländern sowie Unsicherheiten in Bezug auf die künftigen Entwicklungen im Euroraum, darunter auch die ungewissen Auswirkungen des Austritts Großbritanniens aus der EU, können ebenfalls auf die zukünftige Geschäftsentwicklung und die Finanz- und Ertragslage der VWLGMBH belastend wirken.<br><br>Die VWLGMBH geht von einer leichten Steigerung der Refinanzierungskosten, verstärkter Zusammenarbeit mit den jeweiligen VW Konzernmarken, erhöhter Kostenoptimierung unter dem Effizienzprogramm, leicht sinkenden Refinanzierungskosten, höherer Gemeinkosten durch Investitionen in die Digitalisierung und einem weiterhin hohen Maß an Unsicherheiten bezüglich makroökonomischer Bedingungen in der Realwirtschaft und einem Einfluss dieser Unsicherheiten auf Faktoren wie Risikokosten aus.<br><br>Nicht anwendbar; seit dem Datum des letzten geprüften und veröffentlichten, nicht-konsolidierten Jahresabschlusses zum 31. Dezember 2018 ist keine wesentliche Veränderung in der Finanzlage oder Handelsposition der VWLGMBH eingetreten. |
| B.13 | Aktuelle Entwicklungen | Eine Behörde führt derzeit branchenweite Ermittlungen zu Verbraucherkrediten durch, darunter auch einige Verbraucherkredite der VWFSAL-Gruppe. Diese Ermittlungen dauern weiter an. Aufgrund dieser Untersuchung hat die Aufsichtsbehörde Bedenken in Bezug auf bestimmte Aspekte der bisherigen Verbraucherkreditpraktiken der VWFSAL-Gruppe geäußert. Die Zusammenarbeit mit der Behörde wird fortgesetzt, um diese Bedenken auszuräumen, unter anderem durch ein Kundenentschädigungsprogramm sowie eine Überprüfung der Systeme und Prozesse. Die Bedingungen und die Quantifizierung des Sanierungsprogramms und der Systemüberprüfung werden noch diskutiert. Es wird nicht erwartet, dass sich die finanziellen Auswirkungen in dieser Angelegenheit signifikant auf die Geschäftsaktivitäten oder das Wachstum von VWFSAL auswirken und die Fähigkeit von VWFSAL, die Zahlungsverpflichtungen von VWFSAL zu erfüllen, beeinträchtigt werden. |
| B.14 | Abhängigkeit der Emittentin von anderen Konzerngesellschaften | **siehe Punkt B.5**<br><br>Der Geschäftsverlauf der VWLGMBH ist eng verbunden mit der Absatzentwicklung des Volkswagen Konzerns.<br><br>Ein Gewinnabführungsvertrag mit der VWFSAG wurde zum 18. September 2002 wirksam. Demnach ist die VWLGMBH verpflichtet, den Jahresüberschuss jeweils nach Ablauf eines Geschäftsjahres an die VWFSAG abzuführen. Die VWFSAG ist verpflichtet, jeden während der Vertragsdauer entstehenden Jahresfehlbetrag der VWLGMBH auszugleichen, soweit dieser nicht durch die Auflösung von Beträgen der sogenannten anderen Gewinnrücklagen, welche während der Vertragsdauer in diese eingestellt worden sind, ausgeglichen wird.<br><br>Die Volkswagen Bank hat ihre Vertriebsaktivitäten an die VW Leasing GmbH, eine Tochtergesellschaft der VWFSAG, ausgelagert. Gemäß dieser Vereinbarung stellt der Vertrieb der VW Leasing Vertriebsleistungen sowohl |

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| | | für das Leasing-, als auch für das Finanzierungsgeschäft der Volkswagen Bank bereit. Um ein gleichbleibendes Ergebnis bei der Volkswagen Bank zu gewährleisten, wurden Ziele zum Absatzvolumen und dem durchschnittlichen Gewinn pro Fahrzeug mit der VW Leasing vereinbart. Jede Abweichung von diesen Zielen resultiert entweder in einer Bonuszahlung von der VW Bank an die VW Leasing oder einer Maluszahlung von der VW Leasing an die VW Bank, was Anreize für die Vertriebsaktivitäten der VW Leasing für Bankprodukte schaffen soll. |
| B.15 | Beschreibung der Haupttätigkeiten der Emittentin | Die VWLGMBH fokussiert sich auf das operativen Leasinggeschäft für Privat- und Geschäftskunden sowie das Flottenmanagement und das Dienstleistungsgeschäft. Die VWLGMBH richtet sich direkt an den Bedürfnissen der Kundengruppen Einzel-, Firmen- und Großkunden aus. Neben innovativen Vermietmodellen wie Langzeit- oder Mikromieten (Carsharing) und andere Dienstleistungen im Bereich der neuen Mobilität, gewährleisten die organisatorischen Grundlagen den konsequenten Ausbau der After Sales-Dienstleistungen im automobilen Kontext. |
| B.16 | Unmittelbare oder mittelbare Beteiligungen oder Beherrschungs-verhältnisse | Die VWLGMBH ist eine 100 %-ige Tochtergesellschaft der VWFSAG. |
| B. 17 | Rating | Nicht anwendbar. Es wurden keine Ratings für die Emittentin vergeben. |
| B.18 | Art und Umfang der Garantie | Die VWFSAG (die "**Garantin**") hat ihre unbedingte und unwiderrufliche Garantie (die "**Garantie**") für die fällige Zahlung der Beträge nach Maßgabe der für die Schuldverschreibung jeweils geltenden Bedingungen abgegeben, welche von der VWLGMBH ausgegeben werden. |
| B.19 | Angaben zur Garantin | Für Informationen über die VWFSAG als Garantin siehe unten unter "2. Informationen bezüglich der Volkswagen Financial Services Aktiengesellschaft als Garantin".**]** |
| **[1. Informationen bezüglich der Volkswagen Financial Services N.V. als Emittentin** | | |
| B.1 | Juristische und kommerzielle Bezeichnung der Emittentin | Volkswagen Financial Services N.V ("**VWFSNV**"). |
| B.2 | Sitz, Rechtsform, Rechtsordnung, Land der Gründung | **Sitz**<br>Der Sitz der VWFSNV ist Amsterdam, Niederlande.<br>**Rechtsform**<br>Aktiengesellschaft nach niederländischem Recht.<br>**Rechtsordnung**<br>Niederländisches Recht<br>**Land der Gründung**<br>Die VWFSNV wurde in den Niederlanden gegründet. |
| B.4b | Trends, die sich auf die Emittentin und die Branchen, in denen sie tätig ist, auswirken | Der Geschäftsverlauf der VWFSNV ist eng verbunden mit der Absatzentwicklung des VW Konzerns. Die Entwicklung der Automobilbranche wird stark vom Verlauf der Weltwirtschaft bestimmt, der weiterhin mit großen Unsicherheiten behaftet ist. Von den Finanzmärkten gehen nach wie vor Risiken aus, die sich insbesondere aus der weiter angespannten Verschuldungssituation vieler Länder ergeben. Für die kommenden Monate wird ein weiterhin unsicheres und volatiles |

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| | | wirtschaftliches Umfeld erwartet. Zusätzliche regulatorische und gesetzliche Anforderungen zur Vermeidung künftiger Finanzkrisen können einen materiellen Effekt auf das Geschäft der VWFSNV ausüben.<br><br>Die Dieselthematik könnte vielfältige Auswirkungen auf den VWFSAG Konzern und die VWFSNV haben. So könnte die Dieselthematik auch einen negativen Einfluß auf das zukünftige Geschäfts- und Finanzergebnis der VWFSNV haben, deren Ausmaß ungewiss bleibt. |
| B.5 | Konzernstruktur | VWFSNV ist eine 100 % -ige Tochtergesellschaft der Volkswagen Finance Overseas B.V., Amsterdam, Niederlande ("**VWFOBV**"), die eine 100 % -ige Tochtergesellschaft der Volkswagen Financial Services AG, Braunschweig, Bundesrepublik Deutschland ("**VWFSAG**") ist. Obergesellschaft der VWFSAG ist die Volkswagen Aktiengesellschaft, Wolfsburg, Bundesrepublik Deutschland ("**VW AG**" oder "Volkswagen AG"). Die VW AG ist die Holdinggesellschaft des Volkswagen Konzerns ("**VW Konzern**" oder "Volkswagen Konzern"), der aus mehreren Tochtergesellschaften und Filialen in der Bundesrepublik Deutschland und im Ausland besteht. |
| B.9 | Gewinnprognosen oder –schätzungen | Nicht anwendbar. VWFSNV hat keine Gewinnprognosen oder –einschätzungen im Prospekt aufgenommen. |
| B.10 | Beschränkungen im Bestätigungsvermerk | Nicht anwendbar. Es existieren keine Beschränkungen im Prüfungsbericht der VWFSNV bezüglich ihrer historischen Finanzinformationen. |
| B.12 | Ausgewählte wesentliche historische Finanzinformationen über die Emittentin, Erklärung zu Trendinformationen sowie wesentliche Veränderungen der Finanzlage oder Handelsposition der Emittentin | Die folgende Tabelle enthält ausgewählte Finanzinformationen zur VWFSNV aus dem geprüften und veröffentlichten nicht-konsolidierten Jahresabschluss für die zum 31. Dezember 2017 und 2018 beendeten Geschäftsjahre:<br><br>Bilanzangaben<br><br>**31. Dezember 2018** **31. Dezember 2017**<br>EUR 000<br>Bilanzsumme 5.929.923 6.525.264<br>Anlagevermögen 3.688.968 3.235.637<br>Umlaufvermögen 2.235.746 3.285.308<br>Gesamtpassiva 4.675.274 5.280.976<br>Eigenkapital 1.254.649 1.244.288<br><br>Gewinn- und Verlustrechnung<br><br>**1. Januar – 31. Dezember**<br>**2018** **2017**<br>EUR 000<br>Nettozinsertrag und gleichartige Einnahmen 13.705 11.135<br>Ergebnis vor Steuern 11.726 9.518<br>Ergebnis nach Steuern 10.361 7.208 |

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| | | Seit dem Datum des letzten geprüften und veröffentlichten, nicht-konsolidierten Jahresabschlusses zum 31. Dezember 2018 ist keine wesentliche negative Veränderung in den Aussichten der VWFSNV eingetreten. Die Dieselthematik kann jedoch negative Auswirkungen auf die zukünftige Geschäftsentwicklung und die Finanz- und Ertragslage der VWFSNV haben, deren Auswirkungen ungewiss bleiben.<br><br>Nicht anwendbar; seit dem Datum des letzten geprüften und veröffentlichten, nicht-konsolidierten Jahresabschlusses zum 31. Dezember 2018 ist keine wesentliche Veränderung in der Finanzlage oder Handelsposition der VWFSNV eingetreten. |
| B.13 | Aktuelle Entwicklungen | Nicht anwendbar. Es hat bezüglich der VWFSNV keine Ereignisse gegeben, die für die Bewertung der Solvabilität der VWFSNV von wesentlicher Bedeutung sind. |
| B.14 | Abhängigkeit der Emittentin von anderen Konzerngesellschaften | Siehe Punkt B.5<br><br>Der Geschäftsverlauf der VWFSNV ist eng verbunden mit der VWFSAG und VW Bank und ihren Refinanzierungsstrategien, der Absatzentwicklung des VW Konzerns im Allgemeinen und dem Refinanzierungsbedarf der mit ihr verbundenen Gesellschaften im Besonderen. |
| B.15 | Beschreibung der Haupttätigkeiten der Emittentin | Die Tätigkeiten der VWFSNV sind die Finanzierung von verbundenen Gesellschaften und Unternehmen mittels Darlehen und der Aufnahme und Besicherung von Geldern in allen zweckdienlichen Angelegenheiten, insbesondere durch Ausgabe von Anleihen, Wandelanleihen, Aktien und Wertpapieren mit unbestimmter Währung oder Dauer, und die Beteiligung an solchen Unternehmen. |
| B.16 | Unmittelbare oder mittelbare Beteiligungen oder Beherrschungs-verhältnisse | VWFSNV ist eine 100 % -ige Tochtergesellschaft der VWFOBV. |
| B. 17 | Rating | Nicht anwendbar. Es wurden keine Ratings für die Emittentin vergeben. |
| B.18 | Art und Umfang der Garantie | Die VWFSAG (die "**Garantin**") hat ihre unbedingte und unwiderrufliche Garantie (die "**Garantie**") für die fällige Zahlung der Beträge nach Maßgabe der für die Schuldverschreibung jeweils geltenden Bedingungen abgegeben, welche von der VWFSNV ausgegeben werden. |
| B.19 | Angaben zur Garantin | Für Informationen über die VWFSAG als Garantin siehe unten unter "2. Informationen bezüglich der Volkswagen Financial Services Aktiengesellschaft als Garantin".**]** |
| **[1. Informationen bezüglich der Volkswagen Financial Services Australia Pty Limited als Emittentin** | | |
| B.1 | Juristische und kommerzielle Bezeichnung der Emittentin | Volkswagen Financial Services Australia Pty Limited ("**VWFSAL**") |
| B.2 | Sitz, Rechtsform, Rechtsordnung, Land der Gründung | **Sitz**<br><br>Der Sitz der VWFSAL ist Chullora, NSW 2190, Australien.<br><br>**Rechtsform**<br><br>"Pty Limited" (proprietary company) nach australischem Recht.<br><br>**Rechtsordnung** |

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| | | Australisches Recht<br>**Land der Gründung**<br>Die VWFSAL wurde in Australien gegründet. |
| B.4b | Trends, die sich auf die Emittentin und die Branchen, in denen sie tätig ist, auswirken | Der Geschäftsverlauf der VWFSAL ist eng verbunden mit der Absatzentwicklung des VW Konzerns. Die Entwicklung der Automobilbranche wird stark vom Verlauf der Weltwirtschaft bestimmt, der weiterhin mit großen Unsicherheiten behaftet ist. Von den Finanzmärkten gehen nach wie vor Risiken aus, die sich insbesondere aus der weiter angespannten Verschuldungssituation vieler Länder ergeben. Für die kommenden Monate wird ein weiterhin unsicheres und volatiles wirtschaftliches Umfeld erwartet. Zusätzliche regulatorische und gesetzliche Anforderungen zur Vermeidung künftiger Finanzkrisen können einen materiellen Effekt auf das Geschäft der VWFSAL ausüben.<br>Die Dieselthematik könnte vielfältige Auswirkungen auf den VWFSAG Konzern und die VWFSAL haben. So könnte die Dieselthematik auch einen negativen Einfluß auf das zukünftige Geschäfts- und Finanzergebnis der VWFSAL haben, deren Ausmaß ungewiss bleibt. |
| B.5 | Konzernstruktur | VWFSAL ist eine 100% -ige Tochtergesellschaft der Volkswagen Financial Services Aktiengesellschaft, Braunschweig, Bundesrepublik Deutschland ("**VWFSAG**"). Obergesellschaft der VWFSAG ist die Volkswagen Aktiengesellschaft, Wolfsburg, Bundesrepublik Deutschland ("**VW AG**" oder "Volkswagen AG"). Die VW AG ist die Holdinggesellschaft des Volkswagen Konzerns ("VW Konzern" oder „Volkswagen Konzern" „, der aus mehreren Tochtergesellschaften und Filialen in der Bundesrepublik Deutschland und im Ausland besteht. |
| B.9 | Gewinnprognosen oder –schätzungen | Nicht anwendbar; VWFSAL hat keine Gewinnprognosen oder –einschätzungen im Prospekt aufgenommen. |
| B.10 | Beschränkungen im Bestätigungsvermerk | Nicht anwendbar; es existieren keine Beschränkungen im Prüfungsbericht der VWFSAL bezüglich ihrer historischen Finanzinformationen. |
| B.12 | Ausgewählte wesentliche historische Finanzinformationen über die Emittentin, Erklärung zu Trendinformationen sowie wesentliche Veränderungen der Finanzlage oder Handelsposition des Garanten | Die folgende Tabelle enthält ausgewählte Finanzinformationen zur VWFSAL Group aus dem geprüften und veröffentlichten konsolidierten Jahresabschluss für die zum 31. Dezember 2017 und 2018 beendeten Geschäftsjahre:<br>Bilanzangaben<br>**31. Dezember 2018** / **31. Dezember 2017**<br>AUD 000<br>Bilanzsumme 6.845.557 / 5.935.883<br>Passiva 6.563.254 / 5.675.311<br>Nettovermögen 282.303 / 260.572<br>Eigenkapital 282.303 / 260.572<br>Gewinn- und Verlustrechnung<br>**1. Januar – 31. Dezember**<br>**2018** / **2017** |

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| | | AUD 000<br><br>Nettozinsertrag 114.330 80.228<br><br>Gesamteinnahmen 135.445 97.348<br><br>Gewinn vor Steuern 46.609 23.710<br><br>Den Anteilseignern zurechenbarer Jahresgewinn 32.095 16.181<br><br>Seit dem Datum des letzten geprüften und veröffentlichten, konsolidierten Jahresabschlusses zum 31. Dezember 2018 ist keine wesentliche negative Veränderung in den Aussichten der VWFSAL eingetreten. Die Dieselthematik kann jedoch negative Auswirkungen auf die zukünftige Geschäftsentwicklung und die Finanz- und Ertragslage der VWFSAL haben, deren Ausmaß ungewiss bleibt. VWFSAL geht von einer leichten Reduzierung der Refinanzierungskosten, weiterhin intensiver Zusammenarbeit mit den jeweiligen VW Konzernmarken, erhöhter Kostenoptimierung unter dem Effizienzprogramm und einem weiterhin hohen Maß an Unsicherheiten bezüglich makroökonomischer Bedingungen in der Realwirtschaft und einem Einfluss dieser Unsicherheiten auf Faktoren wie Risikokosten aus.<br><br>Nicht anwendbar; seit dem Datum des letzten geprüften und veröffentlichten, konsolidierten Jahresabschlusses zum 31. Dezember 2018 ist keine wesentliche Veränderung in der Finanzlage oder Handelsposition der VWFSAL Group eingetreten. |
| B.13 | Aktuelle Entwicklungen | Eine Behörde führt derzeit Ermittlungen zu einigen der von der Gesellschaft erteilten Verbraucherdarlehen durch. Diese Ermittlungen dauern weiter an. Etwaige finanzielle Auswirkungen diesbezüglich sind gegenwärtig nicht bekannt; es wurden keine Rückstellungen gebildet. |
| B.14 | Abhängigkeit der Emittentin von anderen Konzerngesellschaften | **siehe Punkt B.5**<br><br>Der Geschäftsverlauf der VWFSAL ist eng verbunden mit der Absatzentwicklung des VW Konzerns. |
| B.15 | Beschreibung der Haupttätigkeiten der Emittentin | Die Haupttätigkeiten der VWFSAL sind die Bereitstellung von Kraftfahrzeugfinanzierungen, Leasing- und Versicherungslösungen für Privat- und Unternehmenskunden. Des Weiteren bietet VWFSAL Bürgschaften für seine Händler an. Die Portfolien der VWFSAL sind entsprechend der Gepflogenheiten in der automobilbezogenen Finanzdienstleistungsindustrie nicht auf die Handelsmarke des VW Konzerns beschränkt. |
| B.16 | Unmittelbare oder mittelbare Beteiligungen oder Beherrschungs-verhältnisse | VWFSAL ist eine 100 % -ige Tochtergesellschaft der VWFSAG. |
| B. 17 | Rating | Nicht anwendbar. Es wurden keine Ratings für die Emittentin vergeben. |
| B.18 | Art und Umfang der Garantie | Die VWFSAG (die "**Garantin**") hat ihre unbedingte und unwiderrufliche Garantie (die "**Garantie**") für die fällige Zahlung der Beträge nach Maßgabe der für die Schuldverschreibung jeweils geltenden Bedingungen abgegeben, welche von der VWFSAL Limited ausgegeben werden. |
| B.19 | Angaben zur Garantin | Für Informationen über die VWFSAG als Garantin siehe unten unter |

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| | | "2. Informationen bezüglich der Volkswagen Financial Services Aktiengesellschaft als Garantin".**]** |
| **[1.][2.] Informationen bezüglich der Volkswagen Financial Services Aktiengesellschaft als [Emittentin][Garantin]** | | |
| [B.19] B.1 | Juristische und kommerzielle Bezeichnung der **[**Emittentin**][** Garantin**]** | Volkswagen Financial Services AG ("**VWFSAG**") |
| [B.19] B.2 | Sitz, Rechtsform, Rechtsordnung, Land der Gründung | **Sitz**<br>Der Sitz der VWFSAG ist Braunschweig, Bundesrepublik Deutschland.<br>**Rechtsform**<br>Aktiengesellschaft nach deutschem Recht.<br>**Rechtsordnung**<br>Deutsches Recht<br>**Land der Gründung**<br>Die VWFSAG wurde in der Bundesrepublik Deutschland gegründet. |
| [B.19] B.4b | Trends, die sich auf die **[**Emittentin**][** Garantin**]** und die Branchen, in denen sie tätig ist, auswirken | Der Geschäftsverlauf des VWFSAG Konzerns ist eng verbunden mit der Absatzentwicklung des VW Konzerns (wie nachstehend definiert). Die Entwicklung der Automobilbranche wird stark vom Verlauf der Weltwirtschaft bestimmt, der weiterhin mit großen Unsicherheiten behaftet ist. Von den Finanzmärkten gehen nach wie vor Risiken aus, die sich insbesondere aus der weiter angespannten Verschuldungssituation vieler Länder ergeben. Für die kommenden Monate wird ein weiterhin unsicheres und volatiles wirtschaftliches Umfeld erwartet. Zusätzliche regulatorische und gesetzliche Anforderungen zur Vermeidung künftiger Finanzkrisen können einen materiellen Effekt auf das Geschäft des VWFSAG Konzerns ausüben.<br>Am 18. September 2015 und am 2. November 2015 hat die US-Umweltschutzbehörde (*Environmental Protection Agency*, "**EPA**") in sogenannten "Mitteilungen über einen Verstoß" (Notices of Violation) gegen den *U.S. Clean Air Act* öffentlich bekanntgegeben, dass bei Abgasuntersuchungen einiger Fahrzeuge des Volkswagen Konzerns mit Dieselmotoren Unregelmäßigkeiten entdeckt wurden. Ebenfalls am 2. November 2015 und zusätzlich am 25. November 2015 hat das California Air Resources Board ("**CARB**") öffentlich den Vorwurf erhoben, dass rechtliche Anforderungen an Stickoxid-Emissionen ("**NOx**") durch den Einsatz von Gerätesoftware unter Testbedingungen umgangen wurden. Nach Veröffentlichung der "Mitteilungen über einen Verstoß" (Notices of Violation) gegen den U.S. Clean Air Act durch die EPA, waren die Volkswagen AG und andere Volkswagen Konzerngesellschaften Gegenstand eingehender Untersuchungen, laufender Ermittlungen (zivilrechtlich und strafrechtlich) und zivilrechtlicher Verfahren. Die laufenden und zukünftigen Ermittlungen und Verfahren haben bereits zu rechtlichen Schritten gegen bestimmte Konzerngesellschaften des Volkswagen Konzerns oder einige ihrer Angestellten geführt und können zu weiteren solchen Schritten führen. Jede dieser Maßnahmen könnte negative Auswirkungen auf das Geschäft der VWFSAG haben. Der Volkswagen Konzern arbeitet mit Hochdruck daran, Abweichungen der Emissionen durch technische Maßnahmen zu beseitigen und kooperiert mit den zuständigen Behörden.<br>Die Dieselthematik könnte vielfältige Auswirkungen auf den VWFSAG Konzern haben. So könnte die Dieselthematik auch einen negativen Einfluß |

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| | | auf das zukünftige Geschäfts- und Finanzergebnis der VWFSAG haben, deren Ausmaß ungewiss bleibt. |
| [B.19]<br>B.5 | Konzernstruktur | Die VWFSAG ist eine 100 %-ige Tochtergesellschaft der Volkswagen Aktiengesellschaft, Wolfsburg, Bundesrepublik Deutschland ("**VW AG**" oder "Volkswagen AG"). Die VW AG ist die Holdingesellschaft des Volkswagen Konzerns ("**VW Konzern**" oder "Volkswagen Konzern"), der aus mehreren Tochtergesellschaften und Filialen in der Bundesrepublik Deutschland und im Ausland besteht. Der VW Konzern gliedert sich in sechs operationelle Einheiten: „Volumen", „Premium", „Super Premium", „Truck und Bus" und „Financial Services" sowie die Region China. Die Financial Services Einheit wiederum, zu der auch die VWFSAG gehört, beinhaltet die Händler- und Kundenfinanzierung, das Leasing, das Bank- und Versicherungsgeschäft, das Flottenmanagement sowie Mobilitätsangebote. Tochtergesellschaften der VWFSAG sind unter anderem die VWLGMBH, die VWFSNV, die VWFSJ und die VWFSAL.<br><br>Zum 1. September 2017 hat die VWFSAG eine gesellschaftsrechtliche Umstrukturierung vollzogen. Das Europäische Kredit- und Einlagengeschäft wurde von übrigen Finanzdienstleistungen getrennt. Künftig ist dieses Geschäft unter der Volkswagen Bank GmbH gebündelt, die jetzt eine direkte Tochtergesellschaft der VW AG ist. Ziel der Umstrukturierung ist es, die Transparenz und Klarheit für die Aufsichtsbehörden zu erhöhen, den Einsatz von Eigenkapital zu optimieren und Komplexität zu reduzieren. |
| [B.19]<br>B.9 | Gewinnprognosen oder -schätzungen | Nicht anwendbar; der VWFSAG Konzern hat keine Gewinnprognosen oder –einschätzungen im Prospekt aufgenommen. |
| [B.19]<br>B.10 | Beschränkungen im Bestätigungsvermerk | Nicht anwendbar; es existieren keine Beschränkungen im Prüfungsbericht des VWFSAG Konzerns bezüglich ihrer historischen Finanzinformationen. |
| [B.19]<br>B.12 | Ausgewählte wesentliche historische Finanzinformationen über die **[**Emittentin**][**Garantin**]**, Erklärung zu Trendinformationen sowie wesentliche Veränderungen der Finanzlage oder Handelsposition der **[**Emittentin**][**Garantin**]** | Die folgende Tabelle enthält ausgewählte Finanzinformationen zum VWFSAG Konzern aus dem geprüften und veröffentlichten konsolidierten Jahresabschluss für die zum 31. Dezember 2017 und 2018 beendeten Geschäftsjahre. Diese wurden gemäß den in der Europäischen Union anzuwendenden *International Financial Reporting Standards* (IFRS) aufgestellt.<br><br>Bilanzangaben<br><br>**31. Dezember 2018 31. Dezember 2017**<br><br>in EUR Mio.<br><br>Bilanzsumme 80.462 68.953<br><br>Forderungen an Kunden aus<br><br>Kundenfinanzierung 16.676 16.269<br><br>Händlerfinanzierung 4.062 3.584<br><br>Leasinggeschäft 19.760 18.809<br><br>Vermietete Vermögenswerte 13.083 11.571 |

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| | | Kundeneinlagen 75 69<br>Eigenkapital 8.016 7.624<br><br>Gewinn- und Verlustrechnung<br><br>**1. Januar – 31. Dezember**<br><br>**2018** **2017**<br><br>in EUR Mio.<br>Ergebnis vor Steuern 818 643<br>Steuern vom Einkommen und vom Ertrag -270 –122<br>Ergebnis nach Steuern aus aufgegebenen Geschäftsbereichen - 384<br>Jahresüberschuss 548 904<br><br>Seit dem Datum des letzten geprüften und veröffentlichten konsolidierten Jahresabschlusses zum 31. Dezember 2018 ist keine wesentliche negative Veränderung in den Aussichten des VWFSAG Konzerns eingetreten.<br><br>Die Dieselthematik und weitere Aufwände bzw. Vorsorge im Zusammenhang mit Dieselfahrzeugen, inklusive jedoch nicht abschließend in Bezug auf Restwerte der Fahrzeuge, sowie die Diskussion um Fahrverbote für Dieselfahrzeuge können negative Auswirkungen auf die zukünftige Geschäftsentwicklung und die Finanz- und Ertragslage des VWFSAG Konzerns haben, deren Ausmaß ungewiss bleibt.<br><br>Die zukünftige Übertragung von Vermögenswerten und / oder Gesellschaften im Zusammenhang mit der Umstrukturierung der Gesellschaftsstruktur, erhöhte Rechts- und Prozessrisiken, inklusive jedoch nicht abschließend in Bezug auf dem Gebiet des Verbraucherkreditgesetzes, welche sich in entsprechenden Rückstellungen reflektieren würden, aber auch geopolitische Spannungen und Konflikte, protektionistische Tendenzen, Turbulenzen auf den Finanzmärkten, strukturelle Defizite in einzelnen Ländern sowie Unsicherheiten in Bezug auf die künftigen Entwicklungen im Euroraum, darunter auch die ungewissen Auswirkungen des Austritts Großbritanniens aus der EUR, können auf die zukünftige Geschäftsentwicklung und die Finanz- und Ertragslage des VWFSAG Konzerns belastend wirken.<br><br>Der VWFSAG Konzern geht von einer leichten Steigerung der Refinanzierungskosten, verstärkter Zusammenarbeit mit den jeweiligen VW Konzernmarken, erhöhter Kostenoptimierung unter dem Effizienzprogramm, höherer Gemeinkosten durch Investitionen in die Digitalisierung und einem weiterhin hohen Maß an Unsicherheiten bezüglich makroökonomischer Bedingungen in der Realwirtschaft und einem Einfluss dieser Unsicherheiten auf Faktoren wie Risikokosten aus.<br><br>Nicht anwendbar; seit dem Datum des letzten geprüften und veröffentlichten, konsolidierten Jahresabschlusses zum 31. Dezember 2018 ist keine wesentliche Veränderung in der Finanzlage oder Handelsposition des VWFSAG Konzerns eingetreten. |

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| [B.19]<br>B.13 | Aktuelle Entwicklungen | Im Dezember 2018 hat der Vorstand der VW AG entschieden, eine Rückzahlung von Eigenkapital in Höhe von 1 Mrd. EUR aus der Kapitalrücklage der VWFSAG an die VW AG vorzunehmen. Der Aufsichtsrat der VW AG hat dem zugestimmt, was zu einer entsprechenden Verringerung der Kapitalrücklage der VWFSAG um 1 Mrd. EUR zum 31. Dezember 2018 führte. Darüber hinaus hat der Vorstand der VW AG entschieden, eine Wiedereinlage in die Kapitalrücklage der VWFSAG in Höhe von 1 Mrd. EUR bis spätestens 30. Juni 2019 vorzunehmen. Der Aufsichtsrat der VW AG hat dem zugestimmt, was zu einer entsprechenden Erhöhung der Kapitalrücklage der VWFSAG führen wird. Die Auswirkungen dieser beiden Vorgänge auf die Kapitalrücklage der VWFSAG sollten sich demzufolge bis spätestens 30. Juni 2019 aufheben. |
| [B.19]<br>B.14 | Abhängigkeit der **[**Emittentin**][** Garantin**]** von anderen Konzerngesellschaften | **siehe Punkt B.5**<br><br>Der Geschäftsverlauf des VWFSAG Konzerns ist eng verbunden mit der Absatzentwicklung des Volkswagen Konzerns.<br><br>Ein Beherrschungs- und Ergebnisabführungsvertrag zwischen der VW AG und der VWFSAG wurde zum 25. September 1996 wirksam und wurde seit dem geändert und berichtigt. Demnach ist die VW AG berechtigt, dem Vorstand der VWFSAG Weisungen zu erteilen. Die VWFSAG ist verpflichtet, den Jahresüberschuss jeweils nach Ablauf eines Geschäftsjahres an die VW AG abzuführen. Die VW AG ist verpflichtet, jeden während der Vertragsdauer entstehenden Jahresfehlbetrag der VWFSAG auszugleichen, soweit dieser nicht durch die Auflösung von Beträgen der sogenannten anderen Gewinnrücklagen, welche während der Vertragsdauer in diese eingestellt worden sind, ausgeglichen wird.<br><br>Daneben gibt es gleichwertige Gewinnabführungsverträge und Beherrschungs- und Gewinnabführungsverträge zwischen der VWFSAG und verschiedenen deutschen Tochterunternehmen. |
| [B.19]<br>B.15 | Beschreibung der Haupttätigkeiten der **[**Emittentin**][** Garantin**]** | Gegenstand des Unternehmens ist die Entwicklung, der Vertrieb und die Abwicklung eigener und fremder Finanzdienstleistungen im In- und Ausland, die der Förderung des Geschäftes der Volkswagen AG und der mit ihr verbundenen Unternehmen zu dienen geeignet sind, wie in § 2 der Satzung der VWFSAG festgelegt.<br><br>Der Hauptzweck des VWFSAG Konzerns ist die Förderung des Absatzes und der Kundenbindung an den Volkswagen Konzern unter der Vorgabe, eine angemessene Rendite auf das eingesetzte Kapital zu erhalten.<br><br>Globale Tätigkeiten des VWFSAG Konzerns sind aufgeteilt in fünf Regionen: Region Deutschland, Region Europa, Region International, Region China und Region Lateinamerika.<br><br>Die Aufgaben der VWFSAG sind vorwiegend strategischer Natur. Zusätzlich hat sie aber auch eine Dienstleistungsfunktion für Tochterunternehmen. Kerngeschäftsbereiche sind Händler- und Kundenfinanzierung, Leasing, Versicherung, Fuhrparkmanagement und Mobilitätsservice. |
| [B.19]<br>B.16 | Unmittelbare oder mittelbare Beteiligungen oder Beherrschungs-verhältnisse | VWFSAG ist eine 100%-ige Tochtergesellschaft der VW AG. |
| [B.19]<br>B. 17 | Ratings | Die VWFSAG wird von Standard & Poor's ("**S&P**") und Moody's Investors Service ("**Moody's**") bewertet.<br><br>Zum Zeitpunkt dieses Prospekts lauten die Ratings wie folgt:<br><br>S&P: Short-Term Senior Unsecured: A-2<br>Long-Term Senior Unsecured: BBB+ |

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| | | Moody's: Short-Term Senior Unsecured: Prime-2<br>Long-Term Senior Unsecured: A3 |
| **Abschnitt C – Wertpapiere** | | |
| C.1 | Art und Gattung der Wertpapiere, einschließlich Wertpapierkennung | **Art der Wertpapiere**<br>**[im Fall von festverzinslichen Schuldverschreibungen einfügen:**<br>Die Schuldverschreibungen haben einen festen Zinsertrag über die gesamte Laufzeit der Schuldverschreibungen. **[**Die Schuldverschreibungen werden mit einem **[**ansteigenden**] [**absteigenden**]** Kupon begeben, d.h. der Zinssatz **[**steigt an**] [**sinkt ab**]** während der Laufzeit.**] [**Die Schuldverschreibungen sind Nullkupon-Schuldverschreibungen und verbriefen keine periodischen Zinszahlungen.**]]**<br>**[im Fall von variabel verzinslichen Schuldverschreibungen einfügen:**<br>Die Schuldverschreibungen werden mit einem variablen Zinssatz verzinst, der auf der Grundlage eines Referenzzinssatzes bestimmt wird. Der Referenzzinssatz ist **[**EURIBOR**] [**LIBOR**] [anderen Referenzsatz einfügen]**.<br>**[**Darüberhinaus wird die anwendbare Marge zum Referenzzinssatz **[**hinzuaddiert**] [**abgezogen**].]**<br>**[**Der variable Zinssatz ist durch **[**einen Mindestzinssatz**] [**und**] [**einen Höchstzinssatz**]** begrenzt.**]]**<br>**[im Fall von fest zu variabel verzinslichen Schuldverschreibungen einfügen:**<br>Die Schuldverschreibungen sind zu Beginn der Laufzeit mit einem festen Zinssatz ausgestattet, der in einen variablen Zinssatz bis zur Fälligkeit der Schuldverschreibungen umgewandelt wird. Der Referenzzinssatz für die variablen Zinsperioden ist **[**EURIBOR**] [**LIBOR**] [anderen Referenzsatz einfügen]**.<br>**[**Darüber hinaus wird für die variablen Zinsperioden **[**die anwendbare Marge **[**zum Referenzzinssatz hinzuaddiert**] [**vom Referenzzinssatz abgezogen**]].]**<br>**[**Der variable Zinssatz ist durch **[**einen Mindestzinssatz**] [**und**] [**einen Höchstzinssatz**]** begrenzt.**]]**<br>**Gattung**<br>Die Schuldverschreibungen sind nicht besichert.<br>**Wertpapierkennung**<br>Die **[**interimistische**]** ISIN ist **[●] [**und der **[**interimistische**]** Common Code ist **[●]] [**und die **[**interimistische**]** WKN ist **[●]]**. |
| C.2 | Währung der Wertpapieremission | Die Schuldverschreibungen sind in **[●]** begeben. |
| C.5 | Beschränkung der freien Übertragbarkeit | Jede Emission von Schuldverschreibungen wird in Übereinstimmung mit den in der betreffenden Jurisdiktion geltenden Gesetzen, Vorschriften und Rechtsakten sowie den dort anwendbaren Beschränkungen erfolgen. |
| C.8 | Rechte, die mit den Wertpapieren verbunden sind, einschließlich der Rangordnung und der Beschränkungen dieser Rechte | **Rechte, die mit den Schuldverschreibungen verbunden sind**<br>Jeder Inhaber von Schuldverschreibungen hat aus ihnen das Recht, Zahlungen von Kapital und, sofern anwendbar, Zinsen von der Emittentin zu verlangen, wenn diese Zahlungen gemäß den Anleihebedingungen fällig sind.<br>**Anwendbares Recht** |

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| | | Form und Inhalt der Schuldverschreibungen sowie die Rechte und Pflichten der Gläubiger und der Emittentin bestimmen sich in jeder Hinsicht nach deutschem Recht.<br><br>**Kündigungsrechte**<br><br>Die Schuldverschreibungen sehen Kündigungsrechte vor, die die Gläubiger dazu berechtigen, sofortige Rückzahlung der Schuldverschreibungen zu verlangen.<br><br>**Rangordnung**<br><br>Die Schuldverschreibungen begründen nicht besicherte und nicht nachrangige Verbindlichkeiten der Emittentin, die untereinander gleichrangig und ohne Vorzugsrecht und mit allen anderen nicht besicherten und nicht nachrangigen Verbindlichkeiten der Emittentin gleichrangig sind, soweit gesetzliche Vorschriften nicht etwas anderes vorsehen.<br><br>**Vorzeitige Rückzahlung der Schuldverschreibungen**<br><br>Die Schuldverschreibungen sind vor Ablauf ihrer festgelegten Laufzeit **[**nach Wahl**] [**der Emittentin **[**,**] [**der Gläubiger**] [**,**] [**und**]** aus steuerlichen Gründen **[**und**] [**aufgrund eines Referenzwert-Ereignisses**]** rückzahlbar.<br><br>**Vorzeitige Rückzahlung aus Steuergründen**<br><br>Eine vorzeitige Rückzahlung aus Steuergründen ist gestattet, falls die Emittentin **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** oder die Garantin**]** als Folge einer Ergänzung oder Änderung der Steuer- und Abgabengesetze und -vorschriften **[bei von Volkswagen Financial Services N.V. begebenen Schuldverschreibungen einfügen:** der Niederlande oder **[bei von Volkswagen Financial Services Japan Ltd. begebenen Schuldverschreibungen einfügen:** Japan oder**] [bei von Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** dem Commonwealth von Australien oder**]** der Bundesrepublik Deutschland oder deren politischen Untergliederungen oder Steuerbehörden oder als Folge einer Ergänzung oder Änderung der Anwendung oder der offiziellen Auslegung dieser Gesetze und Vorschriften, und diese Ergänzung oder Änderung am oder nach dem Tag der Begebung (wie unten unter Element E.3 definiert) wirksam werden, zur Zahlung von zusätzlichen Beträgen verpflichtet ist.<br><br>**[Vorzeitige Rückzahlung aufgrund eines Referenzwert-Ereignisses**<br><br>Die Schuldverschreibungen können jederzeit insgesamt, jedoch nicht teilweise, nach Wahl der Emittentin mit einer Kündigungsfrist von nicht weniger als 30 und nicht mehr als 60 Tagen vorzeitig gekündigt und zu ihrem vorzeitigen Rückzahlungsbetrag zuzüglich bis zum für die Rückzahlung festgelegten Tag aufgelaufener Zinsen zurückgezahlt werden, falls ein Referenzwert-Ereignis (Wegfall, wesentliche Änderung in der Methodik oder Verwendungsverbot hinsichtlich des dem anwendbaren Zinssatz zugrundeliegenden Referenzzinssatzes) eintritt und es nach Auffassung der Emittentin nicht möglich ist, einen Nachfolge-Referenzsatz zu bestimmen.**]**<br><br>**[Vorzeitige Rückzahlung nach Wahl der [Emittentin] [und] [oder] [der Gläubiger] zu(m) festgelegten Rückzahlungsbetrag(beträgen)**<br><br>Die Schuldverschreibungen sind nach Wahl der **[**Emittentin**] [**und**] [**oder**] [**der Gläubiger**]** unter Einhaltung der festgelegten Kündigungsfrist durch Kündigung gegenüber **[**den Gläubigern**] [**oder**] [**der Emittentin**]** rückzahlbar, und zwar zu dem(n) festgelegten Zeitpunkt(en) vor der angegebenen Fälligkeit und zu dem(n) festgelegten **[**Call**][**Put**]** Rückzahlungsbetrag(beträgen), nebst etwaigen aufgelaufenen Zinsen.**]** |

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| | | **Negativverpflichtung**<br><br>Die Anleihebedingungen enthalten eine Negativverpflichtung der Emittentin.<br><br>**Vorlegungsfristen und Verjährung**<br><br>Die Vorlegungsfrist wird für die Schuldverschreibungen auf zehn Jahre abgekürzt. Die Verjährungsfrist für Ansprüche aus den Schuldverschreibungen, die während der Vorlegungsfrist vorgelegt wurden, beträgt zwei Jahre beginnend ab dem Ende der Vorlegungsfrist.**]**<br><br>**[Gläubigerbeschlüsse**<br><br>In Übereinstimmung mit dem Schuldverschreibungsgesetz vom 31. Juli 2009 („**SchVG**“) sehen die Schuldverschreibungen vor, dass die Gläubiger durch Beschluss (mit Zustimmung der Emittentin) Änderungen der Anleihebedingungen zustimmen und gewisse sonstige Maßnahmen in Bezug auf die Schuldverschreibungen beschließen können. Beschlüsse der Gläubiger können nach Maßgabe der Anleihebedingungen im Wege der Abstimmung ohne Versammlung gefasst werden und sind für alle Gläubiger verbindlich. Beschlüsse der Gläubiger, durch welche der wesentliche Inhalt der Anleihebedingungen geändert wird, bedürfen einer Mehrheit von mindestens 75% der an der Abstimmung teilnehmenden Stimmrechte.**]**<br><br>**[Gemeinsamer Vertreter**<br><br>**[**In Übereinstimmung mit dem SchVG sehen die Schuldverschreibungen vor, dass die Gläubiger durch Beschluss einen gemeinsamen Vertreter bestellen können. Die Aufgaben und Befugnisse des durch Beschluss bestellten gemeinsamen Vertreters bestimmen sich nach dem SchVG sowie den Mehrheitsbeschlüssen der Gläubiger.**]**<br><br>**[**Ein gemeinsamer Vertreter der Gläubiger ist in den Anleihebedingungen der Schuldverschreibungen bestellt. Die Aufgaben und Befugnisse des gemeinsamen Vertreters bestimmen sich nach den Anleihebedingungen.**]]** |
| C.9 | Zinsen, Rückzahlung; Rendite; Fälligkeitstermin **[**Name des gemeinsamen Vertreters**]** | **siehe Punkt C.8.**<br><br>**Rückzahlungsbetrag**[4]<br><br>**[●]** pro festgelegter Stückelung.<br><br>**[Vorzeitiger Rückzahlungsbetrag**<br><br>**[**Rückzahlungsbetrag**][•]**.**]**<br><br>**Zinssatz**<br><br>**[im Fall von fest verzinslichen Schuldverschreibungen (ausgenommen Nullkupon-Schuldverschreibungen) mit einem gleichbleibenden Zinssatz einfügen: [●]**% per annum.**]**<br><br>**[im Fall von fest verzinslichen Schuldverschreibungen (ausgenommen Nullkupon-Schuldverschreibungen) mit verschiedenen angegebenen festen Zinssätzen für verschiedene Zinsperioden (Stufenzins) einfügen: [●]**% per annum für den Zeitraum von **[●]** bis **[●] [**.**][**und**] [[●]**% per annum für den Zeitraum von **[●]** bis **[●]]**.**]**<br><br>**[im Fall von Nullkupon-Schuldverschreibungen einfügen:** Es erfolgen keine periodischen Zinszahlungen.**]**<br><br>**[im Fall von variabel verzinslichen Schuldverschreibungen einfügen: [[●]**-Monats**] [**EURIBOR**] [**LIBOR**] [anderen Referenzsatz einfügen] [**zuzüglich**][**abzüglich**]** der Marge in Höhe von **[●]**%]. **[**Der Höchstzinssatz beträgt **[●]**% per annum.**] [**Der Mindestzinssatz beträgt **[●]**% per annum.**]]**<br><br>**[im Fall von fest zu variabel verzinslichen Schuldverschreibungen** |

[4] Der Rückzahlungsbetrag soll mindestens dem Nennbetrag entsprechen.

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| | | **einfügen:** Für den Zeitraum vom **[●]** bis **[●]** ist der Zinssatz auf **[●]**% per annum festgelegt. Anschließend, für den Zeitraum vom **[●]** bis zum Fälligkeitstag der Schuldverschreibungen, ist der variable Zinssatz der **[[●]**-Monats**]** **[**EURIBOR**]** **[**LIBOR**]** **[anderen Referenzsatz einfügen]** **[[**zuzüglich**][**abzüglich**]** der Marge in Höhe von **[●]**%**]]**. **[**Der Höchstzinssatz beträgt **[●]**% per annum.**]** **[**Der Mindestzinssatz beträgt **[●]**% per annum.**]]**<br><br>**Verzinsungsbeginn**<br><br>**[im Fall von Schuldverschreibungen (ausgenommen Nullkupon-Schuldverschreibungen) einfügen: [**Tag der Begebung der Schuldverschreibungen (wie nachstehend unter Punkt E.3 definiert).**][anderes Datum angeben]] [im Fall von Nullkupon-Schuldverschreibungen einfügen:** Nicht anwendbar.**]**<br><br>**Zinszahlungstage**<br><br>**[●][im Fall von Nullkupon-Schuldverschreibungen einfügen:** Nicht anwendbar.**]**<br><br>**Basiswert auf dem der Zinssatz basiert**<br><br>**[im Fall von fest verzinslichen Schuldverschreibungen einfügen:** Nicht anwendbar. Der Zinssatz basiert nicht auf einem Basiswert.**] [im Fall von variabel verzinslichen Schuldverschreibungen einfügen:** Der **[[●]**-Monats**]** **[**EURIBOR**]** **[**LIBOR**]** **[anderen Referenzsatz einfügen]]**. **[im Fall von fest zu variabel verzinslichen Schuldverschreibungen einfügen:** Während der variablen Zinsperiode basiert der Zinssatz auf dem **[[●]**-Monats**]** **[**EURIBOR**]** **[**LIBOR**]** **[anderen Referenzsatz einfügen]**.<br><br>**[Fälligkeitstag: [●]][In den [●] fallender Zinszahlungstag]**<br><br>**Rückzahlungsverfahren**<br><br>Zahlungen auf Kapital in Bezug auf die Schuldverschreibungen erfolgen an das Clearing System oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearing Systems.<br><br>**Rendite**<br><br>**[[●]**%**][im Fall von variabel verzinslichen Schuldverschreibungen einfügen:** Nicht anwendbar. Es wird keine Rendite berechnet.**]**<br><br>**[Name des gemeinsamen Vertreters: [●]]** |
| C.10 | Derivative Komponente bei Zinszahlung | **siehe Punkt C.9.**<br><br>Nicht anwendbar. Die Zinszahlung weist keine derivative Komponente auf. |
| C.11 | Zulassung zum Handel | **[**Nicht anwendbar, da ein Antrag auf Zulassung zum Handel nicht gestellt wurde.**][**Geregelter Markt der Luxemburger Wertpapierbörse (Bourse de Luxembourg).**][anderen geregelten Markt einfügen]** |
| **Abschnitt D – Risiken** | | |
| D.2 | Zentrale Angaben zu den zentralen Risiken, die dem **[**Emittenten**][**und der Garantin**]** eigen sind | **[1. Riskofaktoren bezüglich der VWLGMBH als Emittentin**<br><br>Der Volkswagen Konzern ist Untersuchungen und möglichen Auswirkungen aus den Unstimmigkeiten hinsichtlich der Dieselthematik ausgesetzt, die einen wesentlichen negativen Einfluss für das Geschäft sowie die Finanz- und Ertragslage der VWLGMBH dargestellt haben und auch weiterhin darstellen könnten.<br><br>Die Nachfrage nach den Produkten und Dienstleistungen der VWLGMBH hängt von der gesamtwirtschaftlichen Situation ab, die wiederum von Marktvolatilität, makroökonomischen Trends, protektionistischen Tendenzen und anderen Risiken beeinflusst werden kann. |

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| | | Die VWLGMBH als herstellergebundene Finanzierungsgesellschaft (Captive), ist aufgrund ihres Geschäftszweckes von den Absatzzahlen des Volkswagen Konzerns abhängig, weshalb jedes die Fahrzeugauslieferungen des Volkswagen Konzerns negativ beeinflussende Risiko auch nachteilige Auswirkungen auf das Geschäft der VWLGMBH haben könnte.<br><br>Die VWLGMBH ist strategischen Risiken ausgesetzt, die sich aus unvorteilhaften Entscheidungen bezogen auf die Geschäftsentwicklung, Produkte, Preisgestaltung, Investitionen in Infrastruktur oder das Personal ergeben könnten.<br><br>Abweichungen zwischen erwarteten und realisierten Gewinnen und Verlusten können zu Ertragsrisiken der VWLGMBH führen.<br><br>Ein Wandel des Verbraucherverhaltens oder zusätzliche staatliche Vorschriften können negative Auswirkungen auf die Geschäftstätigkeit der VWLGMBH haben.<br><br>Falsche Produktentscheidungen im Zusammenhang mit regulatorischen Anforderungen oder wettbewerbsfähigen Aspekten, könnten zu einer niedrigeren Produktprofitabilität aufgrund unerfüllter Kundenbedürfnisse, Reputationsschäden oder Strafgeldern führen und letztlich nachteilige Auswirkungen auf das Gesamtgeschäft der VWLGMBH haben.<br><br>Die VWLGMBH könnte unter Umständen nicht in der Lage sein, mit dem Prozess der Digitalisierung Schritt zu halten, was einen nachteiligen Einfluss auf das Geschäft, die Finanz- und Ertragslage der VWLGMBH haben könnte.<br><br>Die VWLGMBH ist dem Risiko des Ausfalls von Kunden oder anderen Vertragspartnern bzw. der Verschlechterung der Kreditwürdigkeit von Kunden oder anderen Vertragspartnern ausgesetzt.<br><br>Ein Rückgang der Restwerte oder der Verkaufserlöse zurückgegebener Fahrzeuge könnte eine wesentlich nachteilige Auswirkung auf das Geschäft sowie die Finanz- und Ertragslage der VWLGMBH haben.<br><br>Die VWLGMBH ist Risikokonzentrationen ausgesetzt, u.a. bezüglich Kontrahenten, Sicherheiten oder Erträgen, die typisch für eine herstellergebundene Finanzierungsgesellschaft (Captive) sind.<br><br>Die VWLGMBH ist operationellen Risiken, wie Prozess-, Personal-, Technologierisiken und externen Risiken, ausgesetzt, die nachteilige Auswirkungen auf ihr Geschäft haben könnten.<br><br>Eine Abhängigkeit von Dienstleistern und vereinbarten Dienstleistungen, die unvollständig oder nicht erbracht werden, könnten negative Auswirkungen auf die Geschäftstätigkeit der VWLGMBH haben.<br><br>Die VWLGMBH ist Prozessrisiken ausgesetzt, die aus Rechtsstreitigkeiten, behördlichen Untersuchungen oder anderen offiziellen Verfahren mit verschiedenen Beteiligten resultieren können.<br><br>Die VWLGMBH könnte nicht in der Lage sein, ihre Marken / geistigen Eigentumsrechte zu nutzen oder ihr geistiges Eigentum ausreichend zu schützen und könnte für die Verletzung von geistigen Eigentumsrechten Dritter haftbar gemacht werden.<br><br>Zunehmende Regelungen und erhöhte Maßstäbe, könnten den Unternehmensgewinn und die Ertragslage der VWLGMBH beeinflussen.<br><br>Als Teil des VWFSAG Konzerns ist die VWLGMBH, resultierend aus der Beaufsichtigung der Banken, dem Risiko erhöhter regulatorischer Kosten und Einschränkungen bei den Geschäftsaktivitäten ausgesetzt.<br><br>Die VWLGMBH hat umfassende und sich ständig ändernde behördliche Regulierungsanforderungen zu erfüllen, was das Risiko birgt, dass Gesetze |

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| | | nicht ordnungsgemäß und effizient eingehalten werden.<br><br>Die Compliance- und Risikomanagementsysteme der VWLGMBH könnten sich als unzureichend für die Prävention und Aufdeckung von Verstößen gegen Gesetze, Verordnungen und interne Standards erweisen oder könnten nicht in der Lage sein, angemessene Gegenmaßnahmen bezüglich aller relevanten Risiken zu identifizieren, zu bemessen und zu ergreifen.<br><br>Die VWLGMBH ist Zinsänderungsrisiken und Fremdwährungsrisiken ausgesetzt.<br><br>Das Geschäft der VWLGMBH erfordert eine substanzielle Refinanzierung und Liquiditätsversorgung. Störungen hinsichtlich der Refinanzierungsquellen oder des Kapitalmarktzugangs der VWLGMBH könnten eine wesentliche, nachteilige Auswirkung auf ihre Geschäfte, ihre Liquidität, ihre Cash Flows sowie ihre Finanz- und Ertragslage haben.<br><br>Die Kreditratings der von der VWLGMBH begebenen Schuldverschreibungen sind Änderungen der Kreditratings von Volkswagen AG und der VWFSAG unterworfen. Negative Änderungen der Kreditratings der Volkswagen AG oder VWFSAG könnten die Kreditratings der von der VWLGMBH begebenen Schuldtitel und infolgedessen auch ihre Finanzierungskosten sowie ihre Finanz- und Ertragslage negativ beeinflussen.<br><br>Die VWLGMBH ist dem Risiko eines unzureichenden Versicherungsschutzes ausgesetzt, welches sich aus höheren als den erwarteten Schäden oder durch bewusst nicht versicherter Risiken ergeben könnte.<br><br>Steuergesetze und deren Interpretation könnten nachteilige Auswirkungen auf die finanzielle Lage und das Geschäftsergebnis der VWLGMBH haben.<br><br>Die VWLGMBH könnte durch ein Ereignis oder mehrere aufeinander folgende Ereignisse, die Reputationsschäden hervorrufen könnten, nachteilig beeinflusst werden.<br><br>Die VWLGMBH könnte Risiken ausgesetzt sein, die aus der möglichen Sicherheitenstellung gegenüber der Volkswagen Bank für Intergruppenkredite resultieren.<br><br>Im Zuge des umgesetzten Umstrukturierungsprojektes soll eine Trennung des Kredit- und Einlagengeschäfts vom Nicht-Kreditgeschäft im Europäischen Wirtschaftsraum durchgeführt worden. Aus dieser Trennung heraus könnten sich für die VWLGMBH diverse Risiken wie z.B. operationelle, rechtliche und regulatorische Risiken ergeben.] |
| | | **[1. Riskofaktoren bezüglich der VWFSNV als Emittentin**<br><br>Der Volkswagen Konzern ist Untersuchungen und möglichen Auswirkungen aus den Unstimmigkeiten hinsichtlich der Dieselthematik ausgesetzt, die einen wesentlichen negativen Einfluss für das Geschäft sowie die Finanz- und Ertragslage der VWFSNV dargestellt haben und auch weiterhin darstellen könnten.<br><br>Eine abschwächende Konjunktur, geopolitische Spannungen und länderspezifische Herausforderungen können negative Auswirkungen auf das Geschäft der VWFSNV haben.<br><br>Der voraussichtliche Austritt Großbritanniens aus der Europäischen Union könnte sich nachteilig auf die Wirtschaft in Großbritannien, Europa und weltweit auswirken, insbesondere auf den britischen und die europäischen Märkte und könnte somit nachteilige Auswirkungen auf das Geschäft und die Finanz- und Ertragslage des VWFSAG Konzern haben.<br><br>Die VWFSNV ist einem strategischen Risiko ausgesetzt, das sich aus unvorteilhaften Entscheidungen bezogen auf die Geschäftsentwicklung, |

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| | | Produkte, Preisgestaltung, Investitionen in Infrastruktur oder das Personal ergeben könnte.<br><br>Abweichungen zwischen erwarteten und realisierten Gewinnen und Verlusten können zu einem Ertragsrisiko der VWFSNV führen.<br><br>Die VWFSNV ist dem Risiko des Ausfalls von Kreditnehmern bzw. der Verschlechterung der Kreditwürdigkeit von Kreditnehmern oder anderen Vertragspartnern ausgesetzt.<br><br>Die VWFSNV ist operationellen Risiken, wie Prozessrisiken, Personalrisiken, IT-Risiken und externen Risiken, ausgesetzt, die nachteilige Auswirkungen auf ihr Geschäft haben können.<br><br>Eine Abhängigkeit von Dienstleistern und vereinbarten Dienstleistungen, die unvollständig oder nicht erbracht werden, könnten negative Auswirkungen auf die Geschäftstätigkeit der VWFSN haben.<br><br>Die VWFSNV ist Prozessrisiken ausgesetzt, die aus Rechtsstreitigkeiten, behördlichen Untersuchungen oder anderen offiziellen Verfahren mit verschiedenen Beteiligten resultieren können.<br><br>Lokale Regelungen und Maßstäbe könnten den Unternehmensgewinn und die Ertragslage der VWFSNV beeinflussen.<br><br>Die VWFSNV hat umfassende und sich ständig ändernde behördliche Regulierungsanforderungen zu erfüllen, was das Risiko birgt, dass Gesetze nicht ordnungsgemäß und effizient eingehalten werden.<br><br>Die Compliance- und Risikomanagementsysteme der VWFSNV könnten sich als unzureichend für die Prävention und Aufdeckung von Verstößen gegen Gesetze, Verordnungen und interne Standards erweisen oder könnten nicht in der Lage sein, angemessene Gegenmaßnahmen bezüglich aller relevanten Risiken zu identifizieren, zu bemessen und zu ergreifen.<br><br>Die VWFSNV ist verschiedenen Marktpreisrisiken ausgesetzt, die sich aus dem Zinsänderungsrisiko und dem Fremdwährungsrisiko ergeben.<br><br>Das Geschäft der VWFSNV erfordert eine substanzielle Refinanzierung und Liquiditätsversorgung. Störungen hinsichtlich der Refinanzierungsquellen oder des Kapitalmarktzugangs der VWFSNV könnten eine wesentliche, nachteilige Auswirkung auf ihre Geschäfte, ihre Liquidität, ihre Cash Flows sowie ihre Finanz- und Ertragslage haben.<br><br>Die Kreditratings der von der VWFSNV begebenen Schuldverschreibungen sind Änderungen der Kreditratings von Volkswagen AG und der VWFSAG unterworfen. Negative Änderungen der Kreditratings der Volkswagen AG oder VWFSAG könnten die Kreditratings der von der VWFSNV begebenen Schuldtitel und infolgedessen auch ihre Finanzierungskosten sowie ihre Finanz- und Ertragslage negativ beeinflussen.<br><br>Steuergesetze und deren Interpretation in den Niederlanden und in Ländern, in denen sich Geschäftspartner befinden, mit denen denen VWFSNV Geschäftsbeziehungen pflegt, könnten nachteilige Auswirkungen auf die Finanzierungskosten, die finanzielle Lage und das Geschäftsergebnis der VWFSNV haben.<br><br>Die VWFSNV könnte durch ein Ereignis oder mehrere aufeinander folgende Ereignisse, die Reputationsschäden hervorrufen könnten, nachteilig beeinflusst werden.**]** |
| | | **[1. Risikofaktoren bezüglich der VWFSAL als Emittentin**<br><br>Der Volkswagen Konzern ist Untersuchungen und möglichen Auswirkungen aus den Unstimmigkeiten hinsichtlich der Dieselthematik ausgesetzt, die einen wesentlichen negativen Einfluss für das Geschäft sowie die Finanz- und Ertragslage der VWFSAL dargestellt haben und auch weiterhin |

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| | | darstellen könnten.<br><br>Die Nachfrage nach Produkten und Dienstleistungen der VWFSAL hängt von der gesamtwirtschaftlichen Situation ab, die wiederum von Marktvolatilität, makroökonomischen Trends, protektionistischen Tendenzen und anderen Risiken beeinflusst werden kann.<br><br>Die VWFSAL als herstellergebundene Finanzierungsgesellschaft, (Captive), ist aufgrund ihres Geschäftszweckes von den Absatzzahlen des Volkswagen Konzerns abhängig, weshalb jedes die Fahrzeugauslieferungen der Volkswagen Konzerns negativ beeinflussende Risiko auch nachteilige Auswirkungen auf das Geschäft der VWFSAL haben könnte.<br><br>Die VWFSAL ist strategischen Risiken ausgesetzt, die sich aus unvorteilhaften Entscheidungen bezogen auf die Geschäftsentwicklung, Produkte, Preisgestaltung, Investitionen in Infrastruktur oder das Personal ergeben könnten.<br><br>Abweichungen zwischen erwarteten und realisierten Gewinnen und Verlusten können zu Ertragsrisiken der VWFSAL führen.<br><br>Ein Wandel des Verbraucherverhaltens oder zusätzliche staatliche Vorschriften können negative Auswirkungen auf die Geschäftstätigkeit der VWFSAL haben.<br><br>Falsche Produktentscheidungen im Zusammenhang mit regulatorischen Anforderungen oder wettbewerbsfähigen Aspekten, könnten zu einer niedrigeren Produktprofitabilität aufgrund unerfüllter Kundenbedürfnisse, Reputationsschäden oder Strafgeldern führen und letztlich nachteilige Auswirkungen auf das Gesamtgeschäft der VWFSAL haben.<br><br>Die VWFSAL könnte unter Umständen nicht in der Lage sein, mit dem Prozess der Digitalisierung Schritt zu halten, was einen nachteiligen Einfluss auf das Geschäft, die Finanz- und Ertragslage der VWFSAL haben könnte.<br><br>Die VWFSAL ist dem Risiko des Ausfalls von Kunden oder anderen Vertragspartnern bzw. der Verschlechterung der Kreditwürdigkeit von Kunden oder anderen Vertragspartnern ausgesetzt.<br><br>Ein Rückgang der Restwerte oder der Verkaufserlöse von Leasingfahrzeugen könnte eine wesentliche nachteilige Auswirkung auf das Geschäft sowie die Finanz- und Ertragslage der VWFSAL haben.<br><br>Die VWFSAL ist Risikokonzentrationen ausgesetzt, u.a. bezüglich Kontrahenten, Sicherheiten oder Erträgen, die typisch für eine herstellergebundene Finanzierungsgesellschaft (Captive) sind.<br><br>Die VWFSAL ist operationellen Risiken, wie Prozessrisiken, Personalrisiken, IT-Risiken und externen Risiken, ausgesetzt, die nachteilige Auswirkungen auf ihr Geschäft haben können.<br><br>Eine Abhängigkeit von Dienstleistern und vereinbarten Dienstleistungen, die unvollständig oder nicht erbracht werden, könnten negative Auswirkungen auf die Geschäftstätigkeit der VWFSAL haben.<br><br>Die VWFSAL ist Prozessrisiken ausgesetzt, die aus Rechtsstreitigkeiten, behördlichen Untersuchungen oder anderen offiziellen Verfahren mit verschiedenen Beteiligten resultieren können.<br><br>Die VWFSAL könnte nicht in der Lage sein, ihre Marken / geistigen Eigentumsrechte zu nutzen oder ihr geistiges Eigentum ausreichend zu schützen und könnte für die Verletzung von geistigen Eigentumsrechten Dritter haftbar gemacht werden.<br><br>Zunehmende Regelungen und erhöhte Maßstäbe könnten den Unternehmensgewinn und die Ertragslage der VWFSAL beeinflussen.<br><br>Die VWFSAL hat umfassende und sich ständig ändernde behördliche Regulierungsanforderungen erfüllen, was das Risiko birgt, dass Gesetze |

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| | | nicht ordnungsgemäß und effizient eingehalten werden.<br><br>Die Compliance- und Risikomanagementsysteme der VWFSAL könnten sich als unzureichend für die Prävention und Aufdeckung von Verstößen gegen Gesetze, Verordnungen und interne Standards erweisen oder könnten nicht in der Lage sein, angemessene Gegenmaßnahmen bezüglich aller relevanten Risiken zu identifizieren, zu bemessen und zu ergreifen.<br><br>Die VWFSAL ist einem Zinsänderungsrisiko ausgesetzt.<br><br>Das Geschäft der VWFSAL erfordert eine substanzielle Refinanzierung und Liquiditätsversorgung. Störungen hinsichtlich der Refinanzierungsquellen oder des Kapitalmarktzugangs der VWFSAL könnten eine wesentliche, nachteilige Auswirkung auf ihre Geschäfte, ihre Liquidität, ihre Cash Flows sowie ihre Finanz- und Ertragslage haben.<br><br>Die Kreditratings der von der VWFSAL begebenen Schuldverschreibungen sind Änderungen der Kreditratings von Volkswagen AG und der VWFSAG unterworfen. Negative Änderungen der Kreditratings der Volkswagen AG oder VWFSAG könnten die Kreditratings der von der VWFSAL begebenen Schuldtitel und infolgedessen auch ihre Finanzierungskosten sowie ihre Finanz- und Ertragslage negativ beeinflussen.<br><br>Die VWFSAL ist dem Risiko eines unzureichenden Versicherungsschutzes ausgesetzt, welches sich aus höheren als den erwarteten Schäden oder durch bewusst nicht versicherte Risiken ergeben könnte.<br><br>Steuergesetze und deren Interpretation könnten nachteilige Auswirkungen auf die finanzielle Lage und das Geschäftsergebnis der VWFSAL haben.<br><br>Die VWFSAL könnte durch ein Ereignis oder mehrere aufeinander folgende Ereignisse, die Reputationsschäden hervorrufen könnten, nachteilig beeinflusst werden.**]** |
| | | **[1.][2.] Riskofaktoren bezüglich der VWFSAG als [Emittentin][Garantin]**<br><br>Der Volkswagen Konzern ist Untersuchungen und möglichen Auswirkungen aus den Unstimmigkeiten hinsichtlich der Dieselthematik ausgesetzt, die einen wesentlichen negativen Einfluss für das Geschäft sowie die Finanz- und Ertragslage des VWFSAG Konzerns dargestellt haben und auch weiterhin darstellen könnten.<br><br>Die Nachfrage nach Produkten und Dienstleistungen des VWFSAG Konzerns hängt von der gesamtwirtschaftlichen Situation ab, die wiederum von Marktvolatilität, makroökonomischen Trends, protektionistischen Tendenzen und anderen Risiken beeinflusst werden kann.<br><br>Der voraussichtliche Austritt Großbritanniens aus der Europäischen Union könnte sich nachteilig auf die Wirtschaft in Großbritannien, Europa und weltweit auswirken, insbesondere auf den britischen und die europäischen Märkte und könnte somit nachteilige Auswirkungen auf das Geschäft und die Finanz- und Ertragslage des VWFSAG Konzern haben.<br><br>Der VWFSAG Konzern als herstellergebundene Gruppe (Captive), ist aufgrund ihres Geschäftszweckes von den Absatzzahlen des Volkswagen Konzerns abhängig, weshalb jedes die Fahrzeugauslieferungen des Volkswagen Konzerns negativ beeinflussende Risiko auch nachteilige Auswirkungen auf das Geschäft des VWFSAG Konzerns haben könnte.<br><br>Der VWFSAG Konzern ist strategischen Risiken ausgesetzt, die sich aus unvorteilhaften Entscheidungen bezogen auf die Geschäftsentwicklung, Produkte, Preisgestaltung, Investitionen in Infrastruktur oder das Personal ergeben könnten.<br><br>Abweichungen zwischen erwarteten und realisierten Gewinnen und Verlusten können zu Ertragsrisiken des VWFSAG Konzerns führen.<br><br>Ein Wandel des Verbraucherverhaltens oder zusätzliche staatliche |

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| | | Vorschriften können negative Auswirkungen auf die Geschäftstätigkeit des VWFSAG Konzerns haben.<br><br>Falsche Produktentscheidungen im Zusammenhang mit regulatorischen Anforderungen oder wettbewerbsfähigen Aspekten, könnten zu einer niedrigeren Produktprofitabilität aufgrund unerfüllter Kundenbedürfnisse, Reputationsschäden oder Strafgeldern führen und letztlich nachteilige Auswirkungen auf das Gesamtgeschäft des VWFSAG Konzerns haben.<br><br>Der VWFSAG Konzern könnte unter Umständen nicht in der Lage sein, mit dem Prozess der Digitalisierung Schritt zu halten, was einen nachteiligen Einfluss auf das Geschäft, die Finanz- und Ertragslage des VWFSAG Konzerns haben könnte.<br><br>Der VWFSAG Konzern ist dem Risiko des Ausfalls von Kunden oder anderen Vertragspartnern bzw. der Verschlechterung der Kreditwürdigkeit von Kunden oder anderen Vertragspartnern ausgesetzt.<br><br>Ein Rückgang der Restwerte oder der Verkaufserlöse zurückgegebener Fahrzeuge könnte eine wesentliche nachteilige Auswirkung auf das Geschäft sowie die Finanz- und Ertragslage des VWFSAG Konzerns haben.<br><br>Der VWFSAG Konzern ist Risikokonzentrationen ausgesetzt, u.a. bezüglich Kontrahenten, Sicherheiten oder Erträgen, die typisch für eine herstellergebundene Finanzierungsgruppe (Captive) sind.<br><br>Der VWFSAG Konzern ist operationellen Risiken, wie Prozessrisiken, Personalrisiken, Technologie-Risiken und externen Risiken, ausgesetzt, die nachteilige Auswirkungen auf sein Geschäft haben können.<br><br>Eine Abhängigkeit von Dienstleistern und vereinbarten Dienstleistungen, die unvollständig oder nicht erbracht werden, könnten negative Auswirkungen auf die Geschäftstätigkeit des VWFSAG Konzerns haben.<br><br>Der VWFSAG Konzern ist Prozessrisiken ausgesetzt, die aus Rechtsstreitigkeiten, behördlichen Untersuchungen oder anderen offiziellen Verfahren mit verschiedenen Beteiligten resultieren können.<br><br>Der VWFSAG Konzern könnte nicht in der Lage sein, seine Marken / geistigen Eigentumsrechte zu nutzen oder sein geistiges Eigentum ausreichend zu schützen und könnte für die Verletzung von geistigen Eigentumsrechten Dritter haftbar gemacht werden.<br><br>Lokale Regelungen und erhöhte Maßstäbe, einschließlich erhöhter Eigenmittelanforderungen, könnten den Unternehmensgewinn und die Ertragslage des VWFSAG Konzerns beeinflussen.<br><br>Der VWFSAG Konzern hat umfassende und sich ständig ändernde behördliche Regulierungsanforderungen zu erfüllen, was das Risiko birgt, dass Gesetze nicht ordnungsgemäß und effizient eingehalten werden.<br><br>Die Compliance- und Risikomanagementsysteme des VWFSAG Konzerns könnten sich als unzureichend für die Prävention und Aufdeckung von Verstößen gegen Gesetze, Verordnungen und interne Standards erweisen oder könnten nicht in der Lage sein, angemessene Gegenmaßnahmen bezüglich aller relevanten Risiken zu identifizieren, zu bemessen und zu ergreifen.<br><br>Die VWFSAG haftet gegenüber dem Bundesverband deutscher Banken e.V., sofern dem Bundesverband Verluste dadurch entstehen würden, dass er gegenüber dem Volkswagen Bank Konzern finanzielle Unterstützung leisten muss.<br><br>Der VWFSAG Konzern ist verschiedenen Marktpreisrisiken ausgesetzt, die sich aus dem Zinsänderungsrisiko, Fremdwährungsrisiko und Bewertungsrisiken von Vermögenswerten und Fondspreise ergeben.<br><br>Das Geschäft des VWFSAG Konzerns erfordert eine substanzielle |

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| | | Refinanzierung und Liquiditätsversorgung. Störungen hinsichtlich der Refinanzierungsquellen oder des Kapitalmarktzugangs des VWFSAG Konzerns könnten eine wesentliche, nachteilige Auswirkung auf seine Geschäfte, seine Liquidität, seine Cash Flows sowie seine Finanz- und Ertragslage haben.<br><br>Die Kreditratings der VWFSAG sind Änderungen der Kreditratings von Volkswagen AG unterworfen. Negative Änderungen der Kreditratings der Volkswagen AG könnten die Kreditratings der VWFSAG und die Kreditratings der von der VWFSAG begebenen Schuldtitel und infolgedessen auch ihre Finanzierungskosten sowie ihre Finanz- und Ertragslage negativ beeinflussen.<br><br>Der VWFSAG Konzern ist dem Risiko eines unzureichenden Versicherungsschutzes ausgesetzt, welches sich aus höheren als den erwarteten Schäden oder durch bewusst nicht versicherter Risiken ergeben könnte.<br><br>In Zusammenhang mit ihrem Versicherungsgeschäft ist der VWFSAG Konzern Prämienrisiken und Reserverisiken und Risiken aufgrund von Vermittlergeschäften ausgesetzt.<br><br>Steuergesetze und deren Interpretation könnten nachteilige Auswirkungen auf die finanzielle Lage und das Geschäftsergebnis des VWFSAG Konzerns haben.<br><br>Der VWFSAG Konzern könnte von den Auswirkungen der Änderungen von Rechnlungslegungsstandards beeinträchtigt sein.<br><br>Der VWFSAG Konzern könnte durch ein Ereignis oder mehrere aufeinander folgende Ereignisse, die Reputationsschäden hervorrufen könnten, nachteilig beeinflusst werden.<br><br>Im Zuge des umgesetzten Umstrukturierungsprojektes wurde eine Trennung des Kredit- und Einlagengeschäfts vom Nicht-Kreditgeschäft im Europäischen Wirtschaftsraum durchgeführt. Aus dieser Trennung heraus könnten sich für den VWFSAG Konzern diverse Risiken wie z.B. operationelle, rechtliche und regulatorische Risiken ergeben. |
| D.3 | Zentrale Angaben zu den zentralen Risiken, die den Wertpapieren eigen sind | **Allgemeine mit den Schuldverschreibungen verbundene Risiken**<br><br>Manche Schuldverschreibungen sind komplexe Finanzinstrumente. Potenzielle Anleger sollten nicht in diese Schuldverschreibungen investieren, wenn sie (selbst oder durch ihre Finanzberater) nicht über die nötige Expertise verfügen, um die Wertentwicklung der Schuldverschreibungen unter den wechselnden Bedingungen, die resultierenden Wertveränderungen der Schuldverschreibungen sowie die Auswirkungen einer solchen Anlage auf ihr Gesamtportfolio einzuschätzen.<br><br>Die Schuldverschreibungen können gelistet oder nicht gelistet sein und es kann keine Zusicherung gegeben werden, dass ein liquider Sekundärmarkt für die Schuldverschreibungen entstehen wird oder fortbestehen wird. In einem illiquiden Markt könnte es sein, dass ein Anleger seine Schuldverschreibungen nicht zu jedem Zeitpunkt zu angemessenen Marktpreisen veräußern kann.<br><br>Der Gläubiger von Schuldverschreibungen ist dem Risiko nachteiliger Entwicklungen der Marktpreise seiner Schuldverschreibungen ausgesetzt, welches sich materialisieren kann, wenn der Gläubiger seine Schuldverschreibungen vor Endfälligkeit veräußert.<br><br>Sofern der Emittentin das Recht eingeräumt wird, die Schuldverschreibungen vor dem Fälligkeitstag zurückzuzahlen, ist der Gläubiger dieser Schuldverschreibungen dem Risiko ausgesetzt, dass infolge der vorzeitigen Rückzahlung seine Kapitalanlage eine geringere Rendite als erwartet aufweisen und/oder der Marktpreis der |

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| | | Schuldverschreibungen negativ beeinträchtigt wird.<br><br>Ein Gläubiger von Schuldverschreibungen, die auf eine ausländische Währung lauten, ist Wechselkursrisiken ausgesetzt, welche Auswirkungen auf die Rendite und/oder den Rückzahlungsbetrag der Schuldverschreibungen haben können. **[**Im Falle von auf Türkische Lira lautenden Schuldverschreibungen sollten Gläubiger beachten, dass die Emittentin infolge von Umständen, die sich ihrer Kontrolle entziehen, nicht in der Lage sein könnte, ihrer Pflicht zur Zahlung von Kapitalbeträgen oder Zinsen in Türkischen Lira nachzukommen. Folglich kann die Emittentin eine solche Zahlung in U.S.-Dollar zum U.S.-Dollar-Gegenwert des auf Türkische Lira lautenden Betrags tätigen.**]**<br><br>Die Emittentin kann jederzeit, ohne Zustimmung der Gläubiger, als Hauptschuldnerin aller Verpflichtungen aus und im Zusammenhang mit den Schuldverschreibungen ersetzt werden.<br><br>Sollte das Schuldverschreibungsgesetz auf die Schuldverschreibungen zur Anwendung kommen, können die Emissionsbedingungen dieser Schuldverschreibungen durch mehrheitlichen Beschluss der Gläubiger, wie in den jeweiligen Anleihebedingungen oder im Schuldverschreibungsgesetz vorgesehen, geändert werden. Anleger sind daher dem Risiko ausgesetzt, dass die anfänglichen Anleihebedingungen der Schuldverschreibungen zu ihrem Nachteil geändert werden.<br><br>Potenzielle Käufer und Verkäufer der Schuldverschreibungen könnten verpflichtet sein, gemäß den Gesetzen und Bestimmungen, die in dem Land, in dem die Schuldverschreibungen übertragen werden, oder in anderen Jurisdiktionen gelten, möglicherweise Steuern oder anderweitige Gebühren zahlen zu müssen.<br><br>Gläubiger von Schuldverschreibungen haben gegebenenfalls keinen Anspruch auf einen Ausgleich für Steuern, Abgaben, Abzüge oder sonstige Zahlungen.<br><br>Der Kauf der Schuldverschreibungen könnte Gegenstand von rechtlichen Beschränkungen sein, welche die Wirksamkeit des Kaufs beeinträchtigen könnte.<br><br>Auch wenn für die Schuldverschreibungen eine unbedingte und unwiderrufliche Garantie bestehen kann, kann nicht zugesichert werden, dass die Erlöse aus der Geltendmachung der Garantie ausreichen werden, die Verpflichtungen aus den Schuldverschreibungen zu erfüllen.<br><br>**[**Gläubiger von Schuldverschreibungen, die an Referenzsätze gekoppelt sind, sind dem Risiko von Änderungen an den Referenzsätzen infolge der Regulierung und den Reformbestrebungen bezüglich "Referenzwerte" ausgesetzt, die eine wesentliche negative Auswirkung auf den Marktwert und die Rendite dieser Schuldverschreibungen, die an einen Referenzsatz geknüpft sind, haben können. Gläubiger sollten beachten, dass der Referenzsatz durch einen Nachfolge-Referenzsatz ersetzt werden kann und sind daneben dem Risiko einer vorzeitigen Rückzahlung ausgesetzt, falls im Falle eines Referenzwert-Ereignisses ein solcher Nachfolge-Referenzsatz nicht bestimmt werden kann.**]**<br><br>**[Risiken in Bezug auf fest verzinsliche Schuldverschreibungen**<br><br>**[**Gläubiger festverzinslicher Schuldverschreibungen sind dem Risiko eines Kursrückgangs infolge einer Änderung des Marktzinses ausgesetzt. Es ist möglich, dass die Rendite einer festverzinslichen Schuldverschreibung zum Zeitpunkt der Emission negativ ist, insbesondere wenn der Zinssatz bei null Prozent oder nahe null Prozent liegt und/oder der Emissionspreis über 100 % des Nennbetrags liegt.**]**<br><br>**[**Gläubiger von Nullkupon-Schuldverschreibungen sind dem Risiko eines Kursrückgangs infolge einer Änderung des Marktzinses ausgesetzt. Die |

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| | | Preise von Nullkupon-Schuldverschreibungen unterliegen einer größeren Volatilität als die Preise festverzinslicher Schuldverschreibungen und reagieren wahrscheinlich stärker auf Veränderungen des Marktzinses als verzinsliche Schuldverschreibungen mit ähnlicher Laufzeit.**]**<br><br>**[Risiken in Bezug auf variabel verzinsliche Schuldverschreibungen**<br><br>Gläubiger variabel verzinslicher Schuldverschreibungen sind dem Risiko von Zinsschwankungen ausgesetzt, die eine vorherige Bestimmung der Rendite variabel verzinslicher Schuldverschreibungen unmöglich machen sowie dem Risiko von ungewissen Zinserträgen. Der Marktwert strukturierter variabel verzinslicher Schuldverschreibungen könnte eine größere Volatilität als herkömmliche variabel verzinsliche Schuldverschreibungen aufweisen.**]**<br><br>**[Risiken in Bezug auf fest zu variabel verzinsliche Schuldverschreibungen**<br><br>Gläubiger von fest zu variabel verzinslichen Schuldverschreibungen sind Risiken in Verbindung mit fest verzinslichen Schuldverschreibungen und zusätzlich Risiken in Verbindung mit variabel verzinslichen Schuldverschreibungen ausgesetzt. Als eine Konsequenz können die Gläubiger einem höheren Risiko ausgesetzt sein.**]** |
| **Abschnitt E – Angebot** | | |
| E.2b | Gründe für das Angebot und Verwendung der Erlöse, sofern nicht zur Gewinnerzielung | **[**Der Nettoemissionserlös aus der Begebung von Schuldverschreibungen wird für das Kerngeschäft des VWFSAG Konzerns verwendet.**][●]** |
| E.3 | Beschreibung der Angebotskonditionen | **[**Tag der Begebung: **[●]]**<br><br>**[**Ausgabepreis: **[●]]**<br><br>**[**Angebotsfrist: **[●]]**<br><br>**[**Weitere Angebotskonditionen sind **[●]**.**]** |
| E.4 | Bestehende Interessen, einschließlich potentieller Interessenkonflikte | **[**Nicht anwendbar. Es gibt keine solchen Interessen.**]**<br><br>**[**Nach Kenntnis der Emittentin bestehen bei den an der Emission beteiligten natürlichen und/oder juristischen Personen keine Interessen, die für das Angebot bedeutsam sind, außer, dass bestimmte Platzeure und mit ihnen verbundene Unternehmen Kunden von und Kreditnehmer und Kreditgeber der Emittentin und mit ihr verbundener Unternehmen sein können. Außerdem sind bestimmte Platzeure an Investment Banking Transaktionen und/oder Commercial Banking Transaktionen mit der Emittentin beteiligt, oder könnten sich in Zukunft daran beteiligen, und könnten im gewöhnlichen Geschäftsverkehr Dienstleistungen für die Emittentin und mit ihr verbundene Unternehmen erbringen, einschließlich Sicherungsgeschäfte und Market-Making Aktivitäten im Zusammenhang mit den Schuldverschreibungen und/oder anderen Wertpapieren oder Instrumenten, die von der Emittentin oder einer ihrer verbundenen Unternehmen emittiert wurden.**][●]** |
| E.7 | Schätzung der Ausgaben, die dem Anleger vom Emittenten oder Anbieter in Rechnung gestellt werden | **[**Nicht anwendbar. Es gibt keine Aufwendungen, die dem Anleger von der Emittentin oder dem Anbieter in Rechnung gestellt werden.**] [**Keine.**] [Einzelheiten angeben]** |

# Risk Factors

## Risk Factors regarding Volkswagen Financial Services Aktiengesellschaft

*The following is a disclosure of principal risk factors that may affect VWFSAG's ability to fulfil its obligations under the Notes.*

*Prospective investors should consider all information provided in this Prospectus and should take into account their current financial situation and their investment objectives before deciding whether to invest in the Notes. Prospective investors are also advised to consult their own tax advisers, legal advisers, accountants or other relevant advisers as to the risks associated with, and consequences of, the purchase, ownership and disposition of the Notes including the effect of any laws of each country in which they are resident.*

*In addition, prospective investors should be aware that the described risks may result in a significant decrease in the price of the Notes up to a total loss of interest and the invested capital.*

*Information relating to the diesel issue described herein with regards to Volkswagen Group is based on public information and is subject to change. The Issuer (also acting as guarantor) has not independently verified any such information.*

**Volkswagen Group is facing investigations and potential impacts out of discrepancies related to the diesel issue that have had and may continue to have a material adverse effect on the business, financial condition and operations of VWFSAG Group.**

**Introduction to the diesel issue**
On September 18, 2015, the U.S. Environmental Protection Agency ("**EPA**") publicly announced in a "Notice of Violation" that irregularities in relation to nitrogen oxide ("**NOx**") emissions had been discovered in emissions tests on certain vehicles of Volkswagen Group with type 2.0 l diesel engines in the United States. In this context, Volkswagen AG announced that noticeable discrepancies between the figures achieved in testing and in actual road use had been identified in around eleven million vehicles worldwide with type EA 189 diesel engines (2.0 liter and 3.0 liter four-cylinder engines). The vast majority of these engines were type EA 189 Euro 5 engines. On November 2, 2015, the EPA issued a "Notice of Violation" alleging that irregularities had also been discovered in the software installed in U.S. vehicles with Generation 1 and Generation 2 six-cylinder (V6) 3.0 l diesel engines.

Numerous court and governmental proceedings were subsequently initiated in the United States, Canada (which has the same NOx emissions limits as the U.S.), Germany and the rest of the world. Volkswagen was able to end many significant court and governmental proceedings in the United States by concluding settlement agreements. Outside the United States, Volkswagen also reached agreements with regard to the implementation of technical measures with numerous authorities. Alongside the U.S. and Canadian proceedings there are ongoing criminal, administrative, investor and consumer and/or product-related proceedings in relation to the diesel issue in Germany and other countries, including class actions in some jurisdictions.

In the United States, Volkswagen AG, AUDI AG, Volkswagen Group of America, Inc. and certain affiliates reached settlement agreements with (i) the U.S. Department of Justice ("**DoJ**") on behalf of the EPA and the State of California on behalf of the California Air Resources Board ("**CARB**") and the California Attorney General, (ii) the U.S. Federal Trade Commission, and (iii) private plaintiffs represented by a Plaintiffs' Steering Committee in a multi-district litigation in California. The settlement agreements resolved certain civil claims made in relation to affected diesel vehicles in the United States. Depending on the type of diesel engine, under the settlement agreements Volkswagen provides for, inter alia, free emissions modification of vehicles, buy-backs/trade-ins or early lease terminations. Volkswagen will also make cash payments to affected current owners or lessees as well as certain former owners or lessees. Several thousand consumers have opted out of the settlement agreements, and many of these consumers have filed civil lawsuits seeking monetary damages for fraud and violations of state consumer protection acts. Moreover, Volkswagen AG also entered into agreements to resolve U.S. federal criminal liability relating to the diesel issue. As part of its plea agreement, Volkswagen AG has pleaded guilty to three felony counts under United States law – including conspiracy to commit fraud, obstruction of justice and using false statements to import cars into the United States – and has been sentenced to three years' probation. In the event of non-compliance with the terms of the plea agreement, Volkswagen could face further penalties and prosecution. Investigations by various U.S. regulatory and other government authorities, including in areas relating to securities, tax and financing, are ongoing.

In addition, criminal investigations/misdemeanor proceedings have been opened in Germany (for example, by the public prosecutor's offices in Braunschweig and Munich) and other countries. Some of these proceedings have been terminated, with the authorities issuing administrative notices imposing fines on Volkswagen Group companies.

A number of authorities have also initiated investigations against several current and former Volkswagen AG Board of Management members and employees regarding their possible involvement in the diesel issue, including potential market manipulation. In May 2018, U.S. federal prosecutors unsealed charges in Detroit

against, among others, former Volkswagen CEO Martin Winterkorn, which had been filed under seal in March 2018. Mr. Winterkorn is charged with a conspiracy to defraud the United States, to commit wire fraud, and to violate the Clean Air Act from at least May 2006 through at least November 2015, as well as three counts of wire fraud. Should these investigations result in adverse findings against the individuals involved, this could have a negative impact on the outcome of other proceedings against Volkswagen or could have other material adverse financial consequences.

The diesel-related investigations resulted and may further result in additional assessments of monetary penalties and other adverse consequences. The timing of the release of new information on the investigations and the maximum amount of penalties that may be imposed cannot be reliably determined at present. New information on these topics may arise at any time, including after the offer, sale and delivery of the Notes. In addition to ongoing extensive investigations by governmental authorities in various jurisdictions worldwide (the most significant being in Europe, the United States and South Korea), further investigations could be launched in the future and existing investigations could be expanded. Ongoing and future investigations may result in further legal actions being taken against Volkswagen Group.

In the context of the diesel issue, various and significant regulatory, criminal and civil proceedings are currently pending against Volkswagen AG and other Volkswagen Group companies in several jurisdictions worldwide. These proceedings include product and investor-related lawsuits and comprise individual and collective actions. Further claims can be expected. Should these actions be resolved in favor of the claimants, they could result in significant civil damages, fines, the imposition of penalties, sanctions, injunctions and other consequences.

Volkswagen is working intensively to eliminate the emissions level deviations through technical improvements and is cooperating with the relevant agencies. A final decision has not been made regarding all necessary technical remedies for the affected vehicles. If the technical solutions implemented by Volkswagen in order to rectify the diesel issue are not implemented in a timely or effective manner or have an undisclosed negative effect on the performance, fuel consumption or resale value of the affected vehicles, regulatory proceedings and/or customer claims for damages could be brought in the future.

Since 2016, AUDI AG has been checking all diesel concepts for possible discrepancies and retrofit potentials. This has been done in close cooperation with the authorities, especially the German Federal Ministry of Transport and the German Federal Motor Transport Authority (*Kraftfahrt-Bundesamt*, the "**KBA**"). The measures proposed by AUDI AG have been adopted and mandated in various recall notices issued by the KBA for vehicle models with V6 and V8 TDI engines. On July 21, 2017, AUDI AG offered a software-based retrofit program for up to 850,000 vehicles with V6 and V8 TDI engines meeting the Euro 5 and Euro 6 emission standards in Europe and other markets except the United States and Canada. Currently, AUDI AG assumes that the total cost, including the amount based on recalls, of the ongoing largely software based retrofit program that began in July 2017 will be manageable and has recognized corresponding balance-sheet risk provisions. The measures submitted by AUDI AG are being examined by the KBA and can only be made available to customers after corresponding approval by the KBA.

In addition, AUDI is responding to requests from the U.S. authorities for information regarding automatic gearboxes in certain vehicles. Further field measures with financial consequences can therefore not be ruled out completely at this time.

Any of the above-described negative developments could result in substantial additional costs and have a material adverse effect on Volkswagen's business, financial position, results of operations, and reputation as well as on the prices of its securities and its capability to make payments under its securities, including the Notes.

**Risks resulting from the diesel issue**

The results of the ongoing and any future investigations, claims and public discussions may have a material adverse effect on Volkswagen Group's and VWFSAG Group's business, financial position, results of operations and reputation, the price of VWFSAG Group's securities and its ability to make payments under its securities. If Volkswagen Group's and VWFSAG Group's efforts to address, manage and remediate the issues described above are not successful, their business could suffer irreparable harm. Additionally, the diesel issue could impact or exacerbate other risks related to VWFSAG Group described in this Prospectus.

Various repercussions could result for VWFSAG Group from the diesel issue. The uncertainty resulting from this issue such as how end customers and dealers will behave in the future or how regulatory authorities and courts will ultimately rule, make certain scenarios conceivable that could negatively impact the asset, financial and operations situation of VWFSAG Group.

It is generally the case that VWFSAG Group as sales promoter and provider of purchasing finance for Volkswagen Group, is directly affected by decreased vehicle sales. Fewer deliveries to customers mean fewer opportunities to market a financial product from VWFSAG Group during the sale. Consequently, reduced business levels achieved by Volkswagen Group are likely to lead to less new business at VWFSAG Group, which could be negatively reflected in the results of operations.

The diesel issue could result in negative effects on the reputation of the trademark VW and thus VWFSAG Group. Reputational damage (public opinion) and possible loss of customer confidence might limit VWFSAG Group's current and future business opportunities and activities in financing, leasing, deposit or insurance business and could lead to indirect or direct financial losses.

The diesel issue or driving restrictions could have various effects on new business. The financing and leasing business for diesel vehicles could face a general market downturn due to purchasing restraint on the part of the end customer. Such a market downturn could manifest itself, inter alia, in declining sales and falling prices for both new and used vehicles. Decreasing sales or prices would ultimately be reflected in lower income potential for VWFSAG Group.

Falling new and used car prices would affect VWFSAG Group at various stages. So as to be able to successfully place leasing products and products with balloon rate and return option in the market, this could, on the one hand, mean pressure on margins. On the other hand, the residual value risk from returned vehicles could increase since the residual values calculated may not correspond with the current residual value assumptions for the end of the contract. The risk of this residual value difference is partly borne by VWFSAG Group itself (direct residual value risks) and partly by the dealers, who in turn are financed by VWFSAG Group (indirect residual value risks). As a result, VWFSAG Group would have to maintain higher value adjustments or record direct partial write-offs against income on its portfolio.

Another possible outcome could be that dealers run into financial difficulties. Owing to lower sales of new and used vehicles, or sales carried out with low or (in extreme cases) no margin, due to a buying restraint of customers caused by the uncertainties surrounding the diesel issues, dealers may not be able to generate sufficient cash flows to meet their financial liabilities. The off-the-road time and the portfolio of vehicles in stock could increase and the dealers would therefore no longer be able to buy new models to resell to consumers, which would generate further pressure on the financial position of the dealers. As a result, dealer loyalty could decline and they may utilize on financial products from other financial service providers or, at worst, completely refrain from doing business with VWFSAG Group. Any deterioration in the creditworthiness of dealers and any loss of sales partners would have a negative impact on the profitability and financial position of VWFSAG Group.

The enforcement of intensified or time-consuming control procedures for the launch of new vehicles could also have a negative impact on VWFSAG Group. A tightening of control procedures could, for example, require the subsequent installation of additional diesel features in Volkswagen Group vehicles. Both the cost of installation of additional components and delayed regulatory approval for the market launch of any particular vehicle would have a negative impact on sales figures, and therefore on revenues.

Changes in the legislation (inter alia any elimination or reduction of tax relief in the diesel sector or driving restrictions) could result in a decline in the volume and market share of the fleet business of VWFSAG Group, which is dominated by diesel vehicles. In addition, there is a risk that, due to the diesel issue, VWFSAG Group might be listed as an untrustworthy supplier and may no longer be able to participate in tenders or could be explicitly excluded from them. Both of these cases would have an impact on business volume and could bring about a significant and lasting loss of reputation in this segment.

The Volkswagen Group may also have to implement austerity programs as a result of the diesel issue, for example by reducing or canceling its sales support for, or promotion of, financial services products. Therefore, VWFSAG Group might be required to implement interest rate and concomitant price increases or, alternatively, may have to bear the costs of the sales incentives. New business and/or profitability may decline as a result.

Refinancing costs also have a significant impact on the business of VWFSAG Group. The risk is that refinancing costs will rise as a result of the diesel issue – for example due to downgrades by the rating agencies, investor caution as a result of Volkswagen Group uncertainty, or through limited access to the money and capital market if funding sources are not available to the full extent. The deposit business of the direct bank could also be negatively impacted by increased cash outflows or lower cash inflows on the part of customers due to the diesel issue. Higher refinancing costs would reduce margins and/or increase prices for customers, which in turn could reduce the turnover of financial service products. Moreover, the diesel issue could lead to an early redemption of asset-backed securities with respect to which Volkswagen Group vehicles with diesel engines serve as collateral. VWFSAG Group is positioned internationally and active in many different markets. Were Volkswagen Group sales to decline sharply in some markets as a result of the diesel issue, VWFSAG Group might have to position itself more narrowly in these markets over the long term and, where necessary, reduce future investments. If Volkswagen Group brands withdraw from certain markets, VWFSAG Group, as a captive subsidiary, would possibly follow. This would reduce the earnings potential of VWFSAG Group and ultimately reduce the advantage of the risk-minimizing diversification through the spreading of risk by a presence in multiple markets. Any reputational loss as a result of the diesel issue could induce joint venture partners and/or sales or commission-

based business partners in some markets to terminate their cooperation with the Volkswagen Group. This could also lead to fewer financial services products being sold by VWFSAG Group.

VWFSAG Group could become involved in legal or regulatory proceedings specifically in relation to the diesel issue either directly through its provision of financial services in relation to the sale of affected vehicles, or indirectly in connection with potential claims against Volkswagen AG, other subsidiaries of the Volkswagen Group or dealers. Governmental authorities in various jurisdictions have also commenced investigations involving certain of VWFSAG's subsidiaries, the outcome of which is not yet certain. It cannot be excluded that governmental authorities start investigations against VWFSAG and/or other VWFSAG’s subsidiaries.

Finally, the regulatory authorities could increase regulatory pressure on VWFSAG Group as a direct consequence of the diesel issue. Such regulations (e.g. higher equity requirements, increased processing and documentation costs, or additional personnel) may result in higher costs for VWFSAG Group.

**Demand for VWFSAG Group´s products and services depend upon the overall economic situation, which in turn can be impacted by market volatility, macroeconomic trends, protectionist tendencies and other risks.**

As a globally active financial company, VWFSAG Group benefits from stable markets and a growing world economy. A weakening of the global economy may have a negative impact on VWFSAG Group's business. Economic growth and developments in some industrialized countries and emerging markets have been endangered by volatility in the financial markets and structural deficits in recent years. In particular, high levels of public and private debt, movements in major currencies, volatile commodity prices as well as political and economic uncertainty negatively impacted consumption, damaging the macroeconomic environment.

Additional risks to the economic environment could arise from rising protectionist tendencies and the introduction of tariff and non-tariff barriers. For example, the United Kingdom's planned exit from membership in the European Union or a reorientation of the United States economic policy and, as a consequence, any introduction of regional or international trade barriers, including customs duties, changes in taxation which have similar effects, or withdrawal from or renegotiation of multilateral trade agreements, such as the North American Free Trade Agreement (NAFTA), could adversely impact the economic environment adversely affecting VWFSAG Group´s business and results of operations. Any retaliatory measures by regional or global trading partners could slow down global economic growth and have an adverse impact on VWFSAG Group´s business activities, net assets, financial position and results of operations.

Stagnation or declines in countries and regions that are major economic centers have an immediate effect on the global economy and thus pose a key risk for VWFSAG Group´s business.

The larger share of Western Europe, particularly Germany, in VWFSAG Group´s business activities exposes it to this region's overall economic development and competitive pressures. A decline in consumer demand and investment activity could significantly adversely affect VWFSAG Group´s business.

Any signs of economic uncertainty in Europe, including a slowdown in economic growth, largescale government austerity measures or tax increases, could lead to significant long-term economic weakness. In addition, the decision by the United Kingdom in June 2016 to leave the European Union has had consequences for macroeconomic growth and outlook in the United Kingdom and Europe, affected exchange rates and could negatively impact VWFSAG´s business, financial position and results of operations.

The growth markets of Asia, South America, and Central and Eastern Europe are particularly important in terms of the global trend in demand for passenger cars and commercial vehicles and consequently for financing and leasing business. The potential economic slowdown of China, specifically, may pose subsequently a risk for the financial sector. The economic performance of some emerging economies is being overshadowed primarily by over-indebtedness, reliance on capital inflows and social tensions. Moreover, corruption, inadequate government structures and a lack of legal certainty also pose risks. Declines in growth in those important markets may have an immediate impact on global economic conditions.

Geopolitical tensions, escalation of conflicts, armed conflicts, terrorist activities, natural catastrophes or the spread of infectious diseases are a further major risk to the performance of individual economies or regions. Economic weakness, structural deficits and geopolitical risk have had, and may continue to have, an adverse effect on the business, liquidity, financial condition and results of operations of VWFSAG Group.

**The prospective withdrawal of the UK from the EU could adversely affect the economic conditions in UK, Europe and globally and in particular the British and European markets and, thus, may have a negative impact on the business, financial condition and results of operations of VWFSAG Group.**

A referendum on the United Kingdom's membership in the European Union was held on 23rd June 2016 and resulted in a vote in favor of the withdrawal of the United Kingdom from the European Union ("Brexit"). The UK will after the last extension of time in April 2019 remain a member state until it reaches an agreement in relation to withdrawal from the EU at latest until the 31 October 2019. If no agreement can be reached until then and if no further extension of time is negotiated then the United Kingdom will leave the EU without an agreement ("hard Brexit"). For VWFSAG Group, there is further the risk that the uncertainties arising from the ongoing Brexit activities may lead to lower vehicle sales due to consumer restraint or postponing purchasing decisions.

It is possible that it comes to a hard Brexit. This might adversely affect the economic conditions in UK, Europe and globally and in particular the British and European markets and, thus, may have a negative impact on the business, financial condition and results of operations of VWFSAG Group.

**VWFSAG Group as a captive is by nature dependent on sales by Volkswagen Group, meaning any risk that is negatively influencing the vehicle delivery of Volkswagen Group may have adverse effects on the business of VWFSAG Group.**

VWFSAG Group, as a captive finance company, has a limited business model, namely the sales support of products of the parent group. Thus, the financial success of VWFSAG Group depends largely on the success of the Volkswagen Group. The development of vehicle deliveries to customers of Volkswagen Group is crucial and material to the generation of new contracts for VWFSAG Group. As long as the Volkswagen Group is able to satisfy customer needs and to comply with market standards / requirements with its products and thus maintain or grow its deliveries to customers, VWFSAG Group will benefit. However, due to this dependency, fewer vehicle deliveries would also result in reduced business for VWFSAG Group.

The reason for fewer vehicle sales can be diverse, including but not limited to the following: If economic growth does not materialize to the extent expected or if economic conditions weaken in a particular market, the Volkswagen Group may sell fewer products in such market or obtain lower than expected prices. Additionally, a lack of economic growth could lead to a decrease of deliveries to customers caused by intensified price competition among automotive manufacturers. As a rule, a weakening economy is accompanied by lower disposable income from both existing and potential new customers. A decrease in customers' disposable income or their financial condition will generally have a negative impact on vehicle sales.

Moreover, further legal investigations might be launched in the future and existing investigations could be expanded. This may result in further legal actions being taken against Volkswagen Group and could have a negative influence on customer behavior and the business of VWFSAG.

Finally, if regulatory / political decisions (e.g. sales stops, driving bans, WLTP) or technological developments (e.g. e-mobility) may influence customer demand, the sales of Volkswagen Group could be negatively influenced resulting in less business opportunities for VWFSAG Group.

Although VWFSAG Group operates different brands in numerous countries, a simultaneous and exceptionally strong reduction of vehicle deliveries in several core markets might result in negative volume and financial performance for VWFSAG Group.

**VWFSAG Group is exposed to strategic risks that could arise from unfavorable decisions on business development, products, pricing, investments in infrastructure or personnel.**

VWFSAG Group's management makes strategic decisions that may have a significant impact on the company's reputation, general business activities, operations, and financial position. These decisions cover multiple topics ranging from entry into, or exit from particular businesses or product lines, pricing of products, investments into particular marketing efforts or infrastructure, including IT infrastructure, to risk management and hiring of key personnel. Strategic risk means a risk of a direct or indirect loss resulting from strategic decisions based on errors or false assumptions. Strategic risk also implies a failure to reach strategic objectives as well as risks arising from integration/reorganisation of technical systems, personnel and corporate culture.

Should a strategic risk scenario materialize, it could endanger VWFSAG Group's existence, lead to lower profits and could have a material adverse effect on reputation, general business activities, operations, and financial position.

**Deviations between expected and realized profit and loss may lead to earnings risks for VWFSAG Group.**

Earnings risks denote the danger of deviations between planned and realized income statement earnings according to the management concept of VWFSAG Group. It is derived from any variance in the actual income (negative variance) and actual expenses (positive variance) in comparison with the budgeted figures.

The risk is largely determined by the business strategy and internal business planning as well as by changes in general operating parameters (such as the level of sales in the Volkswagen Group, business volume, technical processes, competitive environment).

Should the risk materialize, this could reduce profits and could therefore have a material adverse effect on the business, financial condition and results of operations of VWFSAG Group.

**A change in consumer preferences or additional governmental regulations may have an adverse effect on VWFSAG Group's business activities**

A change in consumer preferences or governmental regulations away from transport by automobile, as well as a trend towards smaller vehicles or vehicles equipped with smaller engines, alternative drivetrains or other technical enhancements could have a material adverse effect on VWFSAG Group's general business activities.

Private and commercial users are increasingly open to using modes of transportation other than the automobile, especially in connection with growing urbanization. The reasons for this could include rising costs associated with owning a vehicle, increasing traffic density in major cities and environmental awareness. Environmental concerns in particular are prompting calls for increasing traffic or vehicle restrictions, such as the diesel vehicle bans being contemplated or gradually implemented across various cities or regions, or quotas being set for electric vehicles.

In many places, lawsuits have been filed arguing that only driving bans for diesel vehicles will bring about the necessary short-term reduction in nitrogen dioxide emissions. These debates have already caused sales of diesel vehicles to decline. Local driving bans are already in place in a number of countries, though these mainly affect older vehicles. With a view to the future, large urban areas such as Paris and London are discussing banning vehicles with combustion engines. The move towards more stringent regulations, particularly for conventional driving systems, is accelerating not only in the developed markets of Europe and North America, but also in emerging markets such as China, and shapes consumer preferences. Furthermore, the increased openness to use ride and car sharing concepts and new city-based car rental schemes may reduce dependency on privately owned automobiles altogether. Moreover, transport of goods may shift from trucks to other modes of transport, which could lead to lower demand for Volkswagen's commercial vehicles or could change the customer requirements towards commercial vehicles.

**Wrong product decisions linked to regulatory or competitive criteria could lead to lower product profitability due to missed customer needs, reputational damage or fines and finally may have negative effects on the overall business of VWFSAG Group.**

The primary objective of VWFSAG Group is to promote the sales of the vehicles Volkswagen Group produces and to strengthen customer loyalty to Volkswagen Group's brands. In order to fulfill this role VWFSAG Group has to offer products that on the one hand meet customer demands and on the other hand generate profits. Hence the decision-making process whether or not a product is introduced, is important for the success of VWFSAG Group. Every product decision is subject to various risks and if risks are not properly taken into account as part of the product decision, this may generate losses in sales results and damage VWFSAG Group and/or Volkswagen Group's image.

Products have to comply with regulatory requirements. VWFSAG Group operates in a highly regulated environment. A wrong product decision or erroneous product design, which violates legal or regulatory rules, could result in regulators mistrusting the Volkswagen Group and to significant fines and reputational damage.

Furthermore, wrong advertising without the disclosure of a material condition or deceptive statement could also affect customer loyalty and sales results.

The ability to offer financial services products that meet customer demands is the main critical success factor to reach VWFSAG Group targets. If VWFSAG Group is unable to adapt its product offerings to meet customer demands or if VWFSAG Group misjudges the competitive environment, this could lead to significant sales risk with a material effect on VWFSAG Group's business and financial results. Moreover, unattractive products from VWFSAG Group could not only affect its own sales volume but also the sales volume of Volkswagen Group, because potential customers with financing and leasing needs may view competitors' financing offers as more favorable and thus purchase products of competitors.

During the start-up phase of new products, the cannibalization effects (decrease in new contracts of a product due to the introduction of another product in the same product line) has to be taken into account by calculating the effects of the product introduction on the existing product portfolio. If VWFSAG Group does not consider this cannibalization effects in the development of new products or makes unrealistic assumptions, this could have a negative impact on the financial result.

**VWFSAG Group may not be able to keep pace with the process of digitalisation, which may have an adverse effect on the business, financial condition and results of operations of VWFSAG Group.**

VWFSAG Group is facing risks from new players entering the industry and new technologies changing the generation and delivery of products and services. Digitalisation will have a significant and far-reaching impact for the financial services sector.

Due to the rapidly changing environment in the digital world, the current sales and services processes will change and new - unregulated - players will enter the financial services markets challenging established players and business models. This entails the risk that VWFSAG Group may not be able to respond in time to challenges posed by new players in the digital environment. This might have an adverse effect on customer relationships, as current and future customers could turn away from VWFSAG Group and purchase products from other suppliers.

The customer expects to have access to financial information independent of time and location and to purchase financial services products through a variety of sales channels. The greatest challenge for VWFSAG Group is to establish the relevant processes meeting the customer needs in time.

A further risk for VWFSAG Group is that it might provide insufficient information on its online platforms. A lack of transparency may have a negative impact on the reputation of VWFSAG Group.

VWFSAG Group takes on the challenges of digitalisation. Therefore a corresponding strategic area of activity, “ROUTE2025”, was integrated into the corporate strategy to identify and monitor future digital development within VWFSAG Group’s markets. Despite these efforts, it cannot be ruled out that competitors are faster or more innovative in implementing digital solutions, which could have a negative impact on the earnings situation of VWFSAG Group.

**VWFSAG Group is exposed to the risk that its customers or other contractual counterparties may default or that the credit quality of its customers or other contractual counterparties may deteriorate.**

The risk of counterparty default at VWFSAG Group is defined as the potential negative deviation of the actual counterparty risk outcome from the planned one. This includes but is not limited to the risk of default on lease payments as well as on repayment and interest payments of financing contracts. The deviation in outcome occurs when the actual loss exceeds the expected loss due to changes in internal credit ratings or credit losses. Within the risk type “risk of counterparty default”, VWFSAG Group distinguishes between credit risk, credit risk from intercompany loans, counterparty risk, issuer risk (including counterparty default risk according to Solvency II), country risk and shareholder risk.

**Credit Risk**

Credit risk concerns the risk of loss through defaults in the customer business, for example, due to non-payments by a borrower or lessee of their obligations. The default is contingent on the inability or unwillingness of the borrower or lessee to make payments. This includes scenarios where the contracting party makes payments late, only partially or not at all.

Credit risks, including risks of counterparty default relating to leasing contracts, represent by far the largest component of VWFSAG Group’s risk positions among the risks of counterparty default. They result from financing and leasing business in the automobile business.

The quality of credit risk is influenced by, among other factors, customers’ financial strength, collateral quality, overall demand for vehicles and general macroeconomic conditions. In order to assess the level of credit risk VWFSAG Group companies use rating- and scoring-systems, that provide the relevant departments with an objective basis to evaluate a potential loan or lease. These assessments take into account both quantitative factors (mainly data from annual financial statements) and qualitative factors (such as the prospects for future business growth, quality of management and the respective customer’s payments record). Although VWFSAG Group companies regularly validate the parameters and models, there can be no assurance that the calculated probabilities accurately reflect the future developments. If, for example, an economic downturn were to lead to increased inability or unwillingness of borrowers or lessees to repay their debts, increased write-downs and higher provisions would be required, which in turn could adversely affect VWFSAG Group’s results of operations.

VWFSAG Group companies have implemented detailed procedures in order to contact delinquent customers for payment, arrange for the repossession of unpaid vehicles and sell repossessed vehicles. However, there is still the risk that VWFSAG Group companies’ assessment procedures, monitoring of credit risk, maintenance of customer account records and repossession policies might not be sufficient to prevent negative effects for VWFSAG Group.

Further credit risks could arise if the Board of Management of VWFSAG Group would decide on a more aggressive risk tolerance. For Instance, the acceptance policy for loan and lease contracts could be adjusted to a riskier approach. This could lead to the situation that the credit risk would increase, but the planned income from the additional business could not compensate the additional risk related costs. As a consequence the operational results of VWFSAG Group could be adversely affected.

**Credit Risk from intercompany loans**

Credit risk from intercompany loans arises from loans of fully consolidated VWFSAG Group companies to companies that are part of Volkswagen Group but not fully consolidated within VWFSAG Group. The risk

represents the potential loss from the exposures including funding in case of failure of such companies, which arises when transactions with these companies were not reduced or stopped before default. Should this risk materialize, this could have a material adverse effect on VWFSAG Group's financial position.

**Counterparty Risk / Issuer Risk**

Counterparty risk arises primarily from interbank overnight and term deposits, the entering into derivative transactions with financial institutions (e.g. to manage interest rate risk and foreign currency exposure) as well as the acquisition of pension fund shares for employee pensions. Issuer risks arise from the purchase of government bonds and to a lesser extent within VWFSAG Group's subsidiary Volkswagen Versicherung AG from capital investment.

If counterparty risks or issuer risks materialize, either by way of defaults or deterioration in the credit standing of VWFSAG Group's contractual counterparties or of issuers of securities in which VWFSAG Group may invest, this could have a material adverse effect on VWFSAG Group's net assets, financial position and results of operations. This includes scenarios where the contracting counterparties or issuers of securities make payments late or not in full.

Counterparty default risk according to Solvency II is a sub risk category of the counterparty risk in VWFSAG Group and arises out of non-performance of counterparties such as policyholders, insurance intermediaries or especially banks and reinsurers. At VWFSAG Group, this risk primarily relates to its subsidiaries Volkswagen Versicherung AG and Volkswagen Insurance Company dac, which enter into reinsurance agreements with various reinsurers and holds cash deposits with various banks. Defaults by or a deterioration in the credit standing of reinsurers, retrocessionaires and banks could have a material adverse effect on VWFSAG Group's net assets, financial position and results of operations.

**Country Risk**

Country risk comprises risks in international commerce, which arise not from the contracting partner itself but due to its location abroad. Political or economic developments as well as difficulties in the overall financial system in a particular country may impact cross-border capital services such as transfer restrictions induced by official measures in a foreign country such as capital controls.

The country risk is analyzed and taken into account by VWFSAG Group, particularly with regard to refinancing and shareholdings in foreign companies, as well as with regard to lending to customers.

**Shareholder Risk and risks from Joint Ventures, Acquisitions and Equity Interests in Companies**

Shareholder risks arise from contributions of capital or other receivables similar in risk to equity capital (e.g. undisclosed contributions). They comprise economic, legal, management, integration as well as reputational risks which may cause losses with negative effects on the carrying amount of the equity investment.

To achieve its own corporate goals, VWFSAG Group makes equity investments in other companies, principally with an intention to hold that investment long term. The integration of acquired businesses could cause difficulties in adapting the business culture and risk management systems. Moreover the appropriate staffing and the managing of operations in acquired businesses or newly created entities could be problematic. The successful implementation of a new shareholding could also be endangered or impaired through a breach of contract by a partner or through other unforeseen events.

Target companies may be located in countries in which the underlying legal, economic, political and cultural conditions do not correspond to those customary in the European Union, or have other national peculiarities with which VWFSAG Group is not familiar. Moreover, in many countries and regions, planned acquisitions are subject to a review by competition and regulatory authorities, which may impede a planned transaction.

If VWFSAG Group were to decide to divest its shareholdings or to withdraw from a joint venture, this may not be possible for a number of reasons. It may be the case that no buyer can be found either at an acceptable price or at all or a joint venture partner may take legal actions against potential sale.

Shareholder risk may result in a loss of market value or even loss of an equity investment which could have a material adverse effect on VWFSAG Group's net assets, financial position and results of operations.

**A decrease in the residual values or the sales proceeds of returned vehicles could have a material adverse effect on the business, financial condition and results of operations of VWFSAG Group.**

As a lessor under leasing contracts, including contracts with a balloon rate and return option for the customer, VWFSAG Group generally bears the risk that the market value of vehicles sold at the end of the term may be lower than the contractual residual value at the time the contract was entered into (so-called residual value risk).

VWFSAG Group takes such differences into account in establishing provisions for the existing portfolio and in its determination of the contractual residual values for new business.

VWFSAG Group distinguishes between direct and indirect residual value risks. If VWFSAG Group carries the residual value risk, it is referred to as a direct residual value risk. Residual value risk is indirect when that risk has been transferred to a third party (such as a dealer) based on a residual value guarantee. For example in Germany, VWFSAG Group frequently enters into agreements that require dealers to repurchase vehicles, so dealers, as residual value guarantors, would bear the residual value risk. When dealers act as the residual value guarantors and if the dealer defaults, the vehicle and also the residual value risk pass to VWFSAG Group.

The residual value risk could be influenced by many different external factors. A decline in the residual value of used cars could be caused by initiatives to promote sales of new vehicles, which was evident during the global financial and economic crisis when incentive programs were offered by governments (e.g. scrapping premium) and automobile manufacturers. All the aforementioned factors result in increasing provisioning for residual value risk. It cannot be ruled out that a similar scenario due to renewed deterioration of the macroeconomic environment could occur in the future.

Moreover an adverse change in consumer confidence and consumer preferences could lead to higher residual value risks for VWFSAG Group. Customers determine the demand and therefore the prices of used cars. If customers refrain from purchasing Volkswagen Group vehicles, for example due to such vehicles' perceived poor image or unappealing design, this could have a negative impact on residual values.

Furthermore, changes in economic conditions, government policies, exchange rates, marketing programs, the actual or perceived quality, safety or reliability of vehicles or fuel prices could also influence the residual value risk.

For instance, public discussions in Germany on potential political activities in sense of driving bans for Diesel vehicles might influence the residual value risk of the relevant VWFSAG Group portfolio. Due to the fact that customers might change their consumption behavior and refrain from buying Diesel vehicles, these bans could have a negative impact on the corresponding market prices. For this reason the residual value risk might increase and could materially adversely affect VWFSAG Group's net assets, financial position and results of operations.

Furthermore, the development of residual value risks could be influenced by the topic of e-mobility. On the one hand, rapid technical progress in the field of battery technology in favor of vehicle ranges could lead to increasing residual value risks in existing electric vehicle portfolios, as customer demand for outdated technologies is supposed to be falling, especially in the first few years. On the other hand, due to substitution effects, sales of electric cars as a result of changing customer behavior could have a negative impact on the residual values of conventional combustion based vehicles, as a result of decreasing customer demand. Finally, e-mobility developments and the impact on residual value risks are difficult to predict and could therefore materially adversely affect VWFSAG Group's net assets, financial position and results of operations.

Uncertainties may also exist with respect to the internal methods for calculating residual values, for example owing to assumptions that prove to have been incorrect. Although VWFSAG Group continuously monitors used car price trends and makes adjustments to its risk valuation, there is still the risk of using false assumptions to assess the residual value risk.

Estimates of provisions for residual value risks may be less than the amounts actually required to be paid due to misjudgments of initial residual value forecasts or changes in market or regulatory conditions. Such a potential shortfall may have a material adverse effect on VWFSAG Group's business activities, net assets, financial position and results of operations.

**VWFSAG Group is exposed to concentrations of risk, such as counterparties, collateral or income that are typical for a captive finance company.**

Risk concentrations can arise to various degrees due to VWFSAG Group’s business model, which focuses on promoting sales of the various Volkswagen Group brands.

Concentrations of counterparties are currently insignificant for VWFSAG Group because a large part of the lending business deals with small (retail) loans. Due to the business model of VWFSAG Group, inter alia to refinance business activities of companies which are not fully consolidated in VWFSAG Group, risk concentrations in terms of intercompany loans might arise. Risk from those intercompany loans is monitored on an individual basis as well as on portfolio level. VWFSAG Group’s business is concentrated in the German market, however it strives for broad, international diversification. Hence, the customer and asset class structure may change in the future and therefore concentrations of counterparties could arise. Industry concentrations in the dealer business are inherent to a captive finance company.

Concentrations of collateral exist for VWFSAG Group, because vehicles are the predominant type of collateral. Risks from concentrations of collateral can arise if negative price movements in the overall used car markets or

especially in Volkswagen Group's brands reduce proceeds from the disposal of collateral and, as a result, cause a decline in the value of collateral. Since VWFSAG Group promotes sales of various Volkswagen Group brands and their different vehicles the risk of synchronous price movements cannot be neglected completely.

A concentration of income arises due to VWFSAG Group's business model. The particular role as a sales promoter for the Volkswagen Group gives rise to dependencies that directly affect the development of income.

The occurrence of risk concentrations could adversely affect VWFSAG Group's net assets, financial position and results of operations.

**VWFSAG Group is exposed to operational risks, such as process risks, personnel risks, technology risks and external risks that could have negative effects on its business.**

Operational risk at VWFSAG Group is defined as the threat of losses that arise from the inappropriateness or failure of internal processes (process risks), people (personnel risks), systems (technology risks, e.g. IT risks) or external factors (external risks, e.g. terror attacks). This definition includes legal risks as well as project related risks.

VWFSAG Group relies on internal and external information and technological systems to manage its operations and as a result is subject to potential losses from breaches of security or laws, system or control failures, inadequate or failed processes, human error, business interruptions and external events etc. Any of these events could have a material adverse effect on business operations, increase the risk of loss resulting from disruptions of normal operating procedures, cause considerable information retrieval and verification costs, and potentially result in financial losses or other damage, including damage to VWFSAG Group's reputation.

Operational risks are increasingly important due to the rising complexity of the financial services industry, the growing speed of innovation as well as the increased use of new technology in the banking business.

**Process Risks**

The efficient, day-to-day performance of the business of VWFSAG Group relies heavily on a large number of internal processes, for example on credit or leasing processes as well as regulatory reporting processes. Any missing, outdated or defective processes as well as critical flaws in processes or failure by VWFSAG Group's employees to properly follow process related instructions can expose VWFSAG Group to significant risks and could have a material adverse effect on its business, financial condition and results of operations.

**Personnel Risks**

Risks relating to VWFSAG Group's employees are described as personnel risk. The individual skills and technical expertise of VWFSAG Group's employees are a major factor contributing to VWFSAG Group's success. If VWFSAG Group loses experienced employees due to turnover, targeted recruiting or retirements, this may lead to a significant drain on VWFSAG Group's know-how.

Because of demographic developments VWFSAG Group has to cope with changes relating to an aging workforce and has to secure a sufficient number of qualified young persons with the potential to become the next generation of highly skilled specialists and executives.

Competition for qualified personnel is increasing and if VWFSAG Group fails to retain qualified personnel to the necessary extent, or if it fails to add additional qualified personnel or to continue to train existing personnel, VWFSAG Group may not reach its strategic and economic objectives.

In addition, unintended errors, unauthorized actions or wrong decisions may lead to significant competitive disadvantages.

**Technology Risks**

A functioning and secure IT is essential for the ongoing business and thus for the success of VWFSAG Group. In order to satisfy the requirements related to international financial services, VWFSAG Group operates comprehensive and complex IT systems. A group-wide harmonization of various IT systems and data centers of VWFSAG Group with those of third parties connected thereto constitutes a great challenge in regard to creating a uniform IT architecture. This is, among other things, due to the size, complexity and international nature of VWFSAG Group. In a centralized and standardized IT environment, there is a risk of excessive dependence on a single system or a single data center. In that case, a system failure could have serious consequences for VWFSAG Group. However, a lack of standardization in the data centers bears risks concerning the security and availability of IT systems, i.e. the operational ability in an emergency. Failure to create a uniform IT architecture across the company subjects it to risks inherent in a non-uniform IT system, such as compatibility issues for both hardware and software or the necessity to train personnel for different systems.

Additionally, numerous essential functional processes in the banking, insurance and leasing business depend on computer-controlled applications and cannot be carried out without properly functioning IT systems and IT infrastructure. Malfunctions or errors in internal or external IT systems and networks, including potential outside intrusions by hackers or computer viruses, software or hardware errors and violations of data integrity could have adverse effects on the operations of VWFSAG Group. Further risks such as modern industrial espionage and targeted attacks as well as the possibility of insider attacks challenge the availability, confidentiality, integrity, authenticity and traceability of systems and data at VWFSAG Group.

Furthermore, regular or event-driven updates are required for many of VWFSAG Group's IT systems in order to meet increasingly complex business and regulatory requirements. Some of the IT-systems used by VWFSAG Group are no longer supported by their vendors or updates are delivered incorrectly or with a delay, respectively. IT system downtime, interruptions, functional deficits or security flaws may significantly adversely affect customer and business partner relationships, accounting and business processes and hence result in significant expenses for data restoration and verification. Among other things, IT incidents or malicious attacks on mobile online services directly affect customers and may attract negative media attention.

VWFSAG Group collects, processes and uses confidential employee-, customer-, brand- and dealer data, for example in the areas of human resources or direct banking. In this regard, VWFSAG Group must comply with applicable data protection laws in order to prevent the abuse of personal or contractual data. Violations of such laws may damage VWFSAG Group's reputation, constitute administrative offenses or criminal acts and lead to damages claims and fines as well as business interruptions.

VWFSAG Group carries out several national and international, partially cross-company IT projects with the aim to further develop and extend the product range also under the use of new technologies. Insufficient project management can lead to delayed project realizations or reduced targets and revenues. In connection with external procurement of capacities, risk with a view to internal know-how can arise.

VWFSAG Group coverage may not be adequate to cover all the costs related to IT risks. Any failure to prevent such IT risks could subject VWFSAG Group to liability, decrease VWFSAG Group's profitability and damage its reputation.

**External Risks**

The occurrence of catastrophic or unforeseen events (so called external risks), including natural disasters, terrorist attacks, the emergence of a pandemic, strike, fire or other widespread emergency could create economic and financial disruptions, lead to operational difficulties (including travel limitations or relocation of affected employees) that could have an adverse effect on VWFSAG Group's financial condition and results of operations.

**Dependency on service providers and on contracted services that may be rendered incompletely or not at all could have negative effects on the business operations of VWFSAG Group.**

As part of its operative activities, VWFSAG Group uses the support of external service providers. Generally, the selection and cooperation with external service providers is regulated by instructions and processes of VWFSAG Group. In connection with external service providers, there are risks that cannot be excluded despite minimizing risk targets and instruments.

VWFSAG Group faces the risk that the contracted services are not rendered in full or not at all. This could cause an increased financial burden to purchase the services in the required scope, time and quality. In exceptional cases, an external service provider could terminate business operations abruptly or with a short lead time, for example due to insolvency or disaster scenarios. Finally, the aforementioned risks could result in VWFSAG Group providing services to its stakeholders with delay, in lower quality or not at all. These risks may financially affect VWFSAG Group.

**VWFSAG Group is exposed to litigation risks that may result from legal disputes, governmental investigations or other official proceedings with various stakeholders.**

In the course of its operating activities, VWFSAG Group could become subject to legal disputes, governmental investigations or other official proceedings in Germany as well as abroad. In particular, but not limited to the following scenarios, such proceedings may be initiated by relevant authorities, suppliers, dealers, customers, consumer associations via the recently introduced so-called Musterfeststellungsklage ("model declaratory action"), employees, or investors and could relate to, inter alia, legal and regulatory requirements, competition issues, ethical issues, money laundering laws, data protection laws, non-compliance with civil law and information security policies. For the companies involved, these proceedings may result in payments, regulatory sanctions or other obligations. Complaints brought by suppliers, dealers, investors or other third parties may also result in significant costs, risks or damages for VWFSAG Group. There may be investigations by governmental authorities into circumstances of which VWFSAG Group is currently not aware, or which have already arisen or will arise in the future, including in relation to alleged violations of supervisory law, competition law or criminal law.

Furthermore, VWFSAG Group must comply with consumer credit regulations adopted in European and other countries. Any violation of compliance with these laws could result in claims from a large number of customers and could have a materially adverse effect on VWFSAG Group's business operations and financial condition.

VWLGMBH as a subsidiary of VWFSAG is facing litigation in the area of consumer credit law. A number of customers have revoked their lease contracts and have engaged in pre-trial as well as court proceedings, most of which are currently pending. They claim that VWLGMBH has not complied with all aspects of German consumer credit law in its German consumer lease contracts leading to the customers' right to revoke (widerrufen) their contracts. In particular, VWLGMBH is alleged to have provided insufficient consumer information. Under German law, the requirements for revocation of consumer contracts and the legal consequences are controversial and legally disputed in particular, in the absence of specifications in laws and regulations, with regard to leasing. Potential law suits may make use of the model declaratory action procedure or any other legal action in this context that involve or may lead to the involvement of a significant number of individual claimants and may significantly increase the number of lease contracts threatened by litigation. If German courts were to issue lessee-friendly final rulings and a large number of customers would revoke their contracts, this could lead to the potential winding-up of a significant number of contracts, to restitution claims and/or potential other claims of customers. This could have a substantial negative impact on VWLGMBH's and, thus, VWFSAG`s financial position or profitability.

As an automotive manufacturer-associated provider of financial services, VWFSAG Group enters into finance and lease contracts of Volkswagen Group vehicles with retail and corporate customers. As such, VWFSAG Group is dependent on the sale and quality of Volkswagen Group vehicles. Any irregularities of these vehicles might affect VWFSAG Group's business, in particular since in various jurisdictions the sale contracts of the manufacturer or dealer on the one hand and finance or lease contracts of the financial services provider on the other hand are considered to be linked with each other.

Litigation is inherently uncertain and VWFSAG Group could experience significant adverse results regardless of the merits of any alleged claims or outcomes of proceedings in which it is directly or indirectly involved. In addition, adverse publicity relating to allegations involving VWFSAG Group or the Volkswagen Group may cause significant reputational harm that could have a material adverse effect on VWFSAG Group.

Any of the foregoing could have a material adverse effect on VWFSAG Group's business, financial position, results of operations and its reputation.

**VWFSAG Group may not be able to use its trademarks / intellectual property rights or to adequately protect its intellectual property and could be liable for infringement of third-party intellectual property.**

VWFSAG Group is using trademarks and other intellectual property rights owned by the Volkswagen Group, which are of essential importance to VWFSAG Group's business success. If such rights were challenged and Volkswagen Group manufacturer is not able to secure such rights in the future, VWFSAG Group may not be allowed to use these trademarks or intellectual property rights, which might adversely affect its general business activities, net assets, financial position and results of operations.

VWFSAG Group owns a number of trademarks, patent applications and other intellectual property rights. Despite ownership of these rights, VWFSAG Group may not be able to enforce claims against third parties to the extent required or desired. VWFSAG Group's intellectual property rights may be challenged and VWFSAG Group may not be able to secure such rights in the future. Furthermore, third parties may violate VWFSAG Group's intellectual property rights and VWFSAG Group may not be able to prevent such violations for legal or factual reasons.

VWFSAG Group may also infringe patents, trademarks or other third-party rights or may not have validly acquired service inventions. Moreover, VWFSAG Group may not obtain all licenses necessary for carrying on its business successfully in the future. If VWFSAG Group is alleged or determined to have violated third-party intellectual property rights, it may have to pay damages or may be barred from marketing certain products. VWFSAG Group could also face costly litigation.

**Local regulations and measures, including increased capital requirements could affect business profitability and results of operations of VWFSAG Group.**

As a response to the crisis in the financial markets during the global financial crisis, most jurisdictions have imposed increased regulations and implemented measures designed to prevent future financial crises or diminish their effects. Although VWFSAG Group is no longer under group supervision by the European Central Bank (ECB), certain shareholdings of VWFSAG remain subject to local supervision and any implemented or planned regulations and measures may lead to additional costs, materially affecting the business, results of operations and profitability of VWFSAG Group. To prevent a future financial crisis, legislators may decide on additional

charges and taxes, for example the introduction of taxes on financial market transactions. Any such new rules may have a negative impact on the net assets, financial position and results of operations of VWFSAG Group.

Certain VWFSAG Group companies are subject to regulation and supervision in the countries in which they operate. These supervisory bodies have broad jurisdiction over many aspects of VWFSAG Group's operations, including capital adequacy requirements, marketing and selling practices, licensing and terms of business. Any changes in the regulatory framework and its applications, or any further implementation of new requirements for financial institutions and banks, may have a material effect on the business and operations of VWFSAG Group. Each of VWFSAG Group's operations also faces the risk that the relevant supervisory body may find it has failed to comply with applicable regulations and any such regulatory proceedings could result in adverse publicity for, or negative perceptions regarding, such supervised entity, which could reflect on VWFSAG Group. In addition, any significant regulatory action against a member of VWFSAG Group could have a material adverse effect on its business results.

Furthermore, VWFSAG Group must comply with consumer credit regulations adopted in European and other countries. The costs of complying with these laws and regulations, as well as with any additional regulation, could affect the conduct of VWFSAG Group's business and negatively affect its financial condition. Any violation of compliance with these laws could have a materially adverse effect on VWFSAG Group's business operations and financial condition.

**VWFSAG Group has to comply with comprehensive and constantly changing government regulations which bears the risk that laws are not being adhered to properly or efficiently.**

Compliance with law is a basic precondition for the success of VWFSAG Group. The growing international scale of VWFSAG Group's business operations as well as the increasing number and complexity of legal regulations increase the risk that legal requirements are violated, either because they are not known or because they are not fully understood. VWFSAG Group has established a compliance management system to make sure that all representatives, managers and employees act within the legal requirements in each jurisdiction in which VWFSAG Group operates. However, there remains a risk that representatives, managers or employees do not act in compliance with applicable laws. A violation of applicable law could lead to the imposition of penalties, liabilities, additional compliance costs, restrictions on or revocations of VWFSAG Group's permits and licenses, restrictions on or prohibitions of business operations and other adverse consequences.

VWFSAG Group believes that it maintains all material licenses and permits required for the current operations and that it is in substantial compliance with all applicable regulations. However, there can be no assurance, that VWFSAG Group will be able to maintain all required licenses and permits, and the failure to satisfy those and other regulatory requirements could have a material adverse effect on its operations. Further, the adoption of additional, or the revision of existing, rules and regulations could have a material adverse effect on VWFSAG Group's business. Costs of compliance with applicable laws are considerable and such costs are likely to increase further in the future. Such costs can affect operating results. Compliance also requires forms, processes, procedures, controls and the infrastructure to support these requirements. The failure to comply could result in significant statutory civil and criminal penalties, monetary damages, legal fees and costs, possible revocation of licenses and damage to reputation, brand and valued customer relationships.

**The compliance and risk management systems of VWFSAG Group may prove to be inadequate to prevent and discover breaches of laws, regulations and internal standards or might not be able to identify, measure and take appropriate countermeasures against all relevant risks.**

In connection with its worldwide business operations, VWFSAG Group must comply with a range of legislative and regulatory requirements in a number of countries. VWFSAG Group has a compliance and risk management system that supports VWFSAG Group's operational business processes, helps to ensure compliance with legislative and regulatory provisions and, where necessary, initiates appropriate countermeasures.

In addition to compliance with law, integrity is a significant element of VWFSAG Groups corporate culture and is one basic success factor of VWFSAG Group.

VWFSAG Group has set up measures and activities to make sure that all representatives, managers and employees act integer and in line with VWFSAG Group's Code of Conduct and its internal regulations and standards. The implemented anonymous whistleblower system shall ensure that violations of the law, the Code of Conduct or internal regulations are reported and investigated.

However, there remains a risk that members of VWFSAG Group governing bodies, employees, authorized representatives or agents may violate applicable laws, regulatory requirements, internal standards and procedures. VWFSAG Group may not be able to identify such violations, evaluate them correctly or take appropriate countermeasures. Furthermore, VWFSAG Group's compliance and risk management systems may not be appropriate to its size, complexity and geographical diversification and may fail for various reasons. In

addition, on the basis of experience, VWFSAG Group cannot rule out that, for example in contract negotiations connected with business initiation, members of VWFSAG Group's governing bodies, employees, authorized representatives or agents have accepted, granted or promised advantages for themselves, VWFSAG Group or third parties, have applied comparable unfair business practices, or continue to do so. VWFSAG Group's compliance and risk management system may not be sufficient to prevent such actions.

The occurrence of these risks may result in a reputational loss and various adverse legal consequences, such as the imposition of fines and penalties on VWFSAG Group or members of its governing bodies or employees, or the assertion of damages claims. VWFSAG Group is particularly exposed to these risks with respect to its minority interests and joint ventures, as well as its listed subsidiaries, for which it is difficult to fully integrate these entities into VWFSAG Group's compliance and risk management system.

If any of these risks were to materialize, this could have a material adverse effect on VWFSAG Group's business, net assets, financial condition and results of operations.

**VWFSAG is liable to the Bundesverband deutscher Banken e.V. (Association of German Banks) if the latter incurs losses as a result of having provided assistance to Volkswagen Bank.**

The former subsidiary of VWFSAG, Volkswagen Bank GmbH, is a member of the Deposit Protection Fund of the Association of German Banks. Under the by-laws of the Association's Deposit Protection Fund, VWFSAG, Volkswagen AG and Porsche Automobil Holding SE have provided a declaration of indemnity for Volkswagen Bank GmbH. Under this declaration, they have agreed to hold the Association of German Banks harmless from any losses it incurs resulting from assistance provided to Volkswagen Bank GmbH. The Deposit Protection Fund in principle protects all non-bank deposits, that is, deposits of private individuals, commercial enterprises and public-sector entities. These circumstances may have a material adverse effect on VWFSAG Group's general business activities and net assets, financial position and results of operations. Moreover, any rescue measures taken by the Deposit Protection Fund may result in a reputational damage. As a result of the reorganisation measure Volkswagen Bank GmbH ceased to be a subsidiary of VWFSAG. Consequently, by letter dated 2 August 2018, VWFSAG has withdrawn its declaration of indemnity towards the Bundesverband deutscher Banken e.V.. However, VWFSAG is still subject to potential liabilities resulting from circumstances already in existence before the date of withdrawal ("*Nachhaftung*").

**VWFSAG Group is exposed to various market risks, which consist of interest rate risk, foreign currency risk as well as fund and asset price risk.**

In the course of VWFSAG Group's regular business activities, financial risks may arise from changes in interest rates, exchange rates or fund and asset prices.

**Interest Rate Risk**

Interest rate risk consists of potential losses from changes in market rates. It arises from non-matching interest periods of a portfolio's assets and liabilities. Interest rate risks are incurred in the banking book of VWFSAG Group. The consequences of unforeseen interest rate changes mainly comprise interest rate losses due to a potential mismatch between primarily long-term fixed interest rates on the asset side and short-term interest rates on the liability side.

**Foreign Currency Risk**

Currency risks arise in connection with deviations from numerical inconsistencies between foreign currency items shown in assets and in liabilities. In individual cases, open currency items are conceivable. The functional currency and reporting currency of VWFSAG Group is the Euro. However, because VWFSAG Group operates in many countries outside the Eurozone, it has substantial assets, liabilities, revenues and costs denominated in currencies other than the Euro. This leads to an exposure to exchange rate volatility as a result of potential mismatches between the currencies in which assets and liabilities are denominated and as a result of the exchange rate and/or evaluation effect on reported earnings, equity and other financial parameters. If foreign currency risks would materialize, substantial losses in all positions affected by foreign currencies could occur.

VWFSAG Group's hedge-accounting strategy towards interest rate and foreign currency risks may turn out to be ineffective, in respect to IFRS accounting. This could lead to volatility in the P&L statements. VWFSAG Group hedges interest rate risks, where appropriate in combination with currency risks, and risks arising from fluctuations in the value of financial instruments by means of interest rate swaps, cross-currency interest rate swaps and other interest rate contracts with matching amounts and maturity dates. This also applies to financing arrangements within the Volkswagen Group. In addition VWFSAG Group hedges certain foreign currency risks using hedging instruments, which include currency forwards and cross-currency swaps.

VWFSAG Group utilizes a range of instruments and strategies to hedge these risks. If these instruments and strategies prove to be partly or entirely ineffective, VWFSAG Group may sustain losses out of unhedged positions that were actually intended to have been hedged.

It cannot be ruled out that these risks are unsuccessfully, not adequately or not fully hedged and thus leave an exposure to fluctuations in prices which could have a significant adverse effect on the financial situation of VWFSAG Group.

**Fund and Asset Price Risk**

Fund and asset price risks arise from possible changes in market prices and represent the risk that holdings may lose value and therefore may cause losses. VWFSAG Group incurs fund price risks in connection with the fund-based pension plan for its employees (pension fund). Additional market price risks may arise indirectly from investments in securities of VWFSAG's subsidiary Volkswagen Versicherung AG and from securities held by VWFSAG Group as liquidity reserve.

**The business of VWFSAG Group requires substantial funding and liquidity, and disruption in VWFSAG Group's funding sources or access to the capital markets could have a material adverse effect on its business, liquidity, cash flows, financial condition and results of operations.**

Liquidity risk refers to the risk that due payment obligations cannot be met in full or in a timely manner, or - in the case of a liquidity crisis - that refinancing instruments can only be obtained at higher market rates or not at all or assets can only be sold at a discount to market prices. Therefore, liquidity risk describes the risk that required funding cannot be obtained, or can only be obtained at higher costs. It applies to payment obligations arising from the existing portfolio as well as liquidity needs for future business.

VWFSAG Group's continued operations require access to significant amounts of funding. VWFSAG Group carries out refinancing separately from Volkswagen Group's liquidity holdings. Nevertheless, VWFSAG Group regularly receives substantial amounts of funding from Volkswagen Group. Therefore, VWFSAG Group is materially dependent on Volkswagen Group's liquidity situation.

Historically, VWFSAG Group has mainly satisfied its funding requirements through the issuance of short and long-term debt securities out of money market and capital market programs, bank loans, operating cash flows, retail and corporate deposits and the securitisation of lease and loan receivables including residual values. Therefore VWFSAG Group is dependent on continued access to these funding sources. VWFSAG Group seeks to ensure that it remains solvent at all times by holding sufficient liquidity reserves through credit lines, and cash reserves.

The diverse access to funding sources may be limited in the future by potential market or regulatory changes in the banking sector. Due to its ongoing funding needs, VWFSAG Group is also exposed to liquidity risk in the event of prolonged closure of debt or credit markets. The use of committed and uncommitted credit lines with banks to cover liquidity needs depends on the willingness and ability of banks to provide these facilities. VWFSAG Group relies to a certain degree on the ability to transfer finance and lease assets to newly formed or existing securitisation trusts and special purpose vehicles and to sell securities in the asset-backed securities market to generate cash proceeds for repayment of due debt and to grow business.

There can be no assurance that VWFSAG Group's current financing arrangements will provide it with sufficient liquidity under various market and economic scenarios.

A deterioration of the situation on the money and capital markets, a loss of reputation or a decrease in VWFSAG Group's creditworthiness could greatly undermine VWFSAG Group's ability to refinance itself. Even if its assets and available funding arrangements provide VWFSAG Group with sufficient liquidity, its costs of funding could increase.

If these sources of funding are not available on a regular basis for any reason, including the occurrence of events of default, deterioration in loss experience on the collateral, breach of financial covenants or portfolio and pool performance measures, disruption of the asset-backed market or otherwise, VWFSAG Group would be required to revise the scale of its business which would have a material adverse effect on its financial position, liquidity and results of operations. In an adverse scenario the inability to service due debt could potentially lead to insolvency.

VWFSAG Group's liquidity and long-term viability depend on many factors including its ability to successfully raise capital and secure appropriate financing. Under current regulations, VWFSAG Group is required to maintain sufficient capital to comply with capital adequacy ratios. In addition, VWFSAG Group is significantly affected by the policies of national governments and local institutions.

In addition, VWFSAG Group is indirectly affected by the policies of EU institutions, such as European Central Bank, which influences and steers the money and credit supply in the Eurozone.

**The credit ratings of VWFSAG are inter alia subject to changes of Volkswagen AG's credit ratings. Negative changes to Volkswagen AG's credit ratings could adversely affect the credit ratings of VWFSAG as well as the credit ratings of securities issued by VWFSAG. This could in turn adversely affect VWFSAG Group's funding costs, financial condition and results of operation.**

VWFSAG is a wholly-owned subsidiary of Volkswagen AG. Due to the strong strategic and economic interlinkage between these two companies, the credit ratings of VWFSAG and the credit ratings of securities issued by VWFSAG remain strongly dependent on the economic development and on the credit rating of Volkswagen AG.

VWFSAG Group's refinancing opportunities may be adversely affected by a rating downgrade or a rating withdrawal of any of VWFSAG's credit ratings, which includes transaction ratings. For example, if VWFSAG's credit ratings worsen, the demand from money and capital market participants for securities issued by VWFSAG or guaranteed by VWFSAG and thus the access to these funding sources may be negatively affected. Additionally, a rating downgrade could adversely impact the credit spreads VWFSAG Group has to pay with regard to all funding instruments used. Consequently, negative changes to VWFSAG's ratings could cause adverse impacts on the financial condition, liquidity, cash flows and result of operations.

Furthermore, a credit rating may not correctly reflect the solvency risks of VWFSAG. The rating agencies that currently or in the future assign a rating to VWFSAG may change their assessment criteria. This could result in a rating action, which is based on such criteria change, but need not necessarily be related to a deterioration or improvement of the solvency of VWFSAG as such.

**VWFSAG Group is exposed to the risk of insufficient insurance coverage that may arise due to higher than expected damages or intentionally uninsured risks.**

VWFSAG Group has obtained insurance coverage in relation to a number of risks associated with its business activities under Volkswagen Group insurances that are subject to standard exclusions, such as willful misconduct. Where the risks arising from legal disputes and investigations can be assessed, are transparent and economically reasonable, adequate insurance cover is taken out for these risks and appropriate provisions are recognized for the remaining identifiable risks.

However, as some risks cannot be identified or can only be assessed to a limited extent, there is a risk that losses or damages occur which are not covered by insurance and/or provisions. In addition, there are risks left intentionally uninsured based on VWFSAG Group's cost-benefit-analysis and VWFSAG Group therefore has no insurance against these events. As a result, if VWFSAG Group sustains damages for which there is no or insufficient insurance coverage or encounters restrictions on insurance coverage, the above-described risks may have a material adverse effect on VWFSAG Group's general business activities, net assets, financial position and results of operations.

**In relation to its insurance business VWFSAG Group faces premium and reserve risks and risks due to brokerage business.**

**Risks from acting as / holding a share in an insurance company**

With effect as of 1 January 2016, the European regulatory insurance framework known as Solvency II became effective and was applied throughout the EU. As a consequence insurance undertakings have to assess their own risks in a more detailed manner and have to cover them with eligible own funds. The additional capital requirements set forth in Solvency II may adversely affect the insurance business by increasing the costs and decreasing the returns of the insurance business, which could have a material adverse effect on VWFSAG Group's business, financial condition and results of operations.

The risk assessment within VWFSAG Group identified the premium and reserve risk as the most relevant risk within the insurance business. The premium risk denotes the risk that the insurance premium for the following year will not be sufficient to cover future claims and other costs. Whereas the reserve risk describes whether booked technical provisions for already existing claims will be sufficient to cover the claims. In particular, an insurance company's exposure to risk resides in the fact that it collects the premiums at the inception of an insurance contract period whereas the contractually promised payments thereunder are future ones and dependent on random occurrences. If the total of actual claims payments were significantly higher than the premium determined, the results of operation would be negatively affected.

Depending on the respective risk profile of its portfolio VWFSAG Group purchases reinsurance cover on an excess of loss basis to seek to minimize the financial impact of a single large accident or event. Nevertheless, exposure to significant claims, insufficient premiums to cover risk exposure, insufficient reinsurance coverage for the insurance business, delays in the recovery of funds owed under reinsurance policies, loss of insurance or reinsurance licenses or any of the above risks could have a material adverse effect on VWFSAG Group's business, financial condition and results of operations. Furthermore, VWFSAG Group may have difficulty reinsuring its business exposure, or may be able to reinsure such exposure only on unfavorable terms, which could adversely affect its business, financial condition and results of operations.

**Risks from brokering insurance**

VWFSAG Group gains commission income for brokering and mediating insurance products to retail and corporate customers. A decrease of car sales, a reduction of commission rates or a decline of premium levels may lead to a

decrease of commission turnover. In addition, costs may stagnate or may increase due to new regulatory requirements such as the Insurance Distribution Directive (IDD). VWFSAG Group as an insurance intermediary faces an increasingly demanding legal environment that exposes it to higher liability risks, which could adversely affect its business, financial condition and results of operations.

**Tax laws and their interpretation may adversely affect VWFSAG Group´s financial condition and results of operations.**

VWFSAG Group is subject to tax legislation in a number of countries. Although the tax department, supported by local advisors, monitors the international tax situation, there are latent tax risks due to possible modifications or general changes to the tax regime, tax law, accounting principles or other laws of jurisdictions (including, but not limited to, changes in applicable tax rates and requirements relating to withholding taxes on remittances and other payments by subsidiaries, associates and joint ventures) by the competent authorities in those countries. Modifications or changes could occur during the lifetime of the assets and liabilities of VWFSAG Group and may have a material adverse effect on its business, net assets, financial condition and results of operations.

Moreover, VWFSAG Group is exposed to tax risks, which could arise in particular as a result of tax audits or as a result of past measures. Ongoing or future tax audits may lead to demands for back taxes, tax penalties and / or similar payments. Such payments may arise, for example, from the full or partial non-recognition of intra-group transfer prices. In countries where there are no limitation periods for tax payments, VWFSAG Group may also face demands for back taxes relating to earlier periods. Taking this under consideration VWFSAG Group's provisions for tax risks may be insufficient to cover possible settlement amounts. The occurrence of these risks could have a material adverse effect on VWFSAG Group's net assets, financial position and results of operations.

**VWFSAG Group could be adversely affected by impacts of changes to accounting standards.**

VWFSAG has prepared its consolidated financial statements for the year ended December 31, 2018 in accordance with International Financial Reporting Standards (IFRSs), as adopted by the European Union (EU), and the interpretations issued by the International Financial Reporting Standards Interpretations Committee IFRS IC) as well as in accordance with the additional disclosures required by German commercial law under section 315e(1) of the Handelsgesetzbuch (HGB – German Commercial Code). All IFRSs issued by the International Accounting Standards Board (IASB) up to December 31, 2018 for which mandatory application was required in fiscal year 2018 in the EU have been taken into account in these consolidated financial statements.

The IASB is continuing its programme to develop new accounting standards where it perceives they are required and to rewrite existing standards where it perceives they can be improved. Any future change in IFRS may have a detrimental impact on the reported earnings of VWFSAG Group, where they are adopted by the IASB.

**VWFSAG Group could be adversely affected by an event or several successive events that might cause reputational damage.**

Various issues may give rise to reputational risk and cause harm to VWFSAG Group. Reputational risk denotes the danger that an event or several successive events might cause reputational damage (public opinion), which might limit VWFSAG Group’s current and future business opportunities and activities (potential success) and thus lead to indirect financial losses (customer base, sales, equity, refinancing costs etc.) or direct financial losses (penalties, litigation costs etc.). Damage to VWFSAG Group's reputation or image could result in a direct effect on the financial success.

The issues that could give rise to reputational risk include product recalls, reputation loss for the Volkswagen Group in general, legal and regulatory requirements, antitrust and competition law issues, ethical issues, environmental issues, money laundering and anti-bribery laws, data protection laws, information security policies, or problems with services provided by VWFSAG Group or by third parties on its behalf. Failure to address these issues appropriately could also give rise to additional legal risk, which could adversely affect existing litigation claims against VWFSAG Group and the amount of damages asserted against VWFSAG Group or subject it to additional litigation claims or regulatory sanctions. Any of the above factors could have a material adverse effect on the brand, reputation, business, financial condition and results of operations of VWFSAG Group.

As VWFSAG Group operates in many different countries, different cultures and jurisdictions, VWFSAG Group may respond differently to the same issues they face and the way in which they choose to address them. Therefore, there can be no assurance that certain issues which may be positively received in certain jurisdictions would be poorly received in other jurisdictions and VWFSAG Group may suffer reputational loss as a result of such decisions, which could adversely affect its business, financial condition and results of operations.

**In the course of the implemented reorganisation project, a separation of the credit and deposit taking business from the Non-credit business within the European Economic Area has been carried out. Arising from this separation, VWFSAG could be affected by various risks such as operational risks, legal risks or regulatory risks.**

The VWFSAG Group has implemented a material reorganisation project. Its main purpose was to reduce organisational and regulatory complexity by separating the credit and deposit taking business within the European Economic Area (EEA) from the Non-credit business. This was done by transferring almost all credit and deposit taking business performed in the EEA to Volkswagen Bank GmbH or its subsidiaries and spinning off Volkswagen Bank Group to VW AG. In this context, several entities and portfolios of VWFSAG including the risks inherent have to be transferred to Volkswagen Bank Group. Therefore Volkswagen Bank Group operations are reorganised accordingly.

Reorganisation is accompanied by ‘planning risks’. Thus, it is unknown whether the expectations and objectives that are associated with the reorganisation can actually be achieved. Various risks such as the following could arise.

For the reorganisation, new job profiles have been developed, new responsibilities have been clarified, areas of responsibility have been handed over and employees have to be trained. In this process, dyssynergies could arise from the distribution of personnel, since employees' know-how cannot be transferred quickly and in full. Also, reorganisation could entail a high burden on the affected employees, as they have to adapt to the new organisation and possibly new processes under time pressure. The conducted transfers of employees to other entities could also lead to employee insecurity and might affect work quality. In sum, these developments may have a negative impact on net assets, financial positions and results of operations of VWFSAG Group.

Furthermore, reorganisation may entail major challenges for IT. New authorisation concepts must have been developed and implemented. In doing so, a strict roll separation of access options was transposed and new persons responsible for approvals and roll construction have been named. An increased test effort, which binds employee capacities and a weaker performance of the systems to be revised, could be the consequence with negative impact on the work ability of VWFSAG Group.

A further risk could be caused by a change in customer behavior arising from the reorganisation. Investors and customers are possibly considering the new company structure critically and might not be willing to maintain the current level of business with VWFSAG Group. There is a risk that the reorganisation might disturb normal business activities at short notice caused by potential difficulties with the operational implementation of new processes during the acclimatisation phase. It cannot be ruled out, that the transition will not work without any issues towards customers. This could have a material adverse effect on VWFSAG Group’s business results.

In the course of its reorganisation or operating activities afterwards, VWFSAG Group could become subject to legal disputes, governmental investigations or other official proceedings in Germany as well as abroad. Such proceedings may be initiated in particular, but not limited to, by relevant authorities, suppliers, employees, or investors and could relate to, inter alia, legal and regulatory requirements and information security policies. Furthermore, the project related transactions of companies may fail or cause financial damages due to, but not limited to rejection by regulators or claims from tax authorities.

After the reorganisation, VWFSAG Group’s operations also face the risk that the relevant supervisory body may find it has failed to comply with applicable regulations and any such regulatory proceedings could result in adverse publicity for, or negative perceptions regarding such supervised entity, which could reflect on VWFSAG Group. In addition, any significant regulatory action against a member of VWFSAG Group could have a material adverse effect on its business results.

# Risk Factors regarding Volkswagen Leasing GmbH

*The following is a disclosure of principal risk factors that may affect VWLGMBH's ability to fulfil its obligations under the Notes.*

*Prospective investors should consider all information provided in this Prospectus and should take into account their current financial situation and their investment objectives before deciding whether to invest in the Notes. Prospective investors are also advised to consult their own tax advisers, legal advisers, accountants or other relevant advisers as to the risks associated with, and consequences of, the purchase, ownership and disposition of the Notes including the effect of any laws of each country in which they are resident.*

*In addition, prospective investors should be aware that the described risks may result in a significant decrease in the price of the Notes up to a total loss of interest and the invested capital.*

**Volkswagen Group is facing investigations and potential impacts out of discrepancies related to the diesel issue that have had and may continue to have a material adverse effect on the business, financial condition and operations of VWLGMBH.**

**Risks resulting from the diesel issue**

The results of the ongoing and any future investigations, claims and public discussions may have a material adverse effect on Volkswagen Group's and VWLGMBH's business, financial position, results of operations and reputation, the price of VWLGMBH's securities and its ability to make payments under its securities. If Volkswagen Group's and VWLGMBH's efforts to address, manage and remediate the issues described above are not successful, their business could suffer irreparable harm. Additionally, the diesel issue could impact or exacerbate other risks related to VWLGMBH described in this Prospectus.

Various repercussions could result for VWLGMBH from the diesel issue. The uncertainty resulting from this issue such as how end customers and dealers will behave in the future or how regulatory authorities and courts will ultimately rule makes certain scenarios conceivable that could negatively impact the asset, financial and operations situation of VWLGMBH.

It is generally the case that VWLGMBH, as sales promoter and provider of purchasing finance for Volkswagen Group, is directly affected by decreased vehicle sales. Fewer deliveries to customers mean fewer opportunities to market a financial product from VWLGMBH during the sale. Consequently, reduced business levels achieved by Volkswagen Group are likely to lead to less new business at VWLGMBH, which could be negatively reflected in the results of operations.

The diesel issue could result in negative effects on the reputation of the trademark VW and thus VWLGMBH. Reputational damage (public opinion) and possible loss of customer confidence might limit VWLGMBH's current and future business opportunities and activities in its business and could lead to indirect or direct financial losses.

The diesel issue or driving restrictions could have various effects on new business. The leasing business for diesel vehicles could face a general market downturn due to purchasing restraint on the part of the end customer. Such a market downturn could manifest itself, inter alia, in declining sales and falling prices for both new and used vehicles. Decreasing sales or prices would ultimately be reflected in lower income potential for VWLGMBH.

Falling new and used car prices would affect VWLGMBH at various stages. So as to be able to successfully place leasing products in the market, this could, on the one hand, mean pressure on margins. On the other hand, the residual value risk from returned vehicles could increase since the residual values calculated may not correspond with the current residual value for the end of the contract. The risk of this residual value difference is partly borne by VWLGMBH itself (direct residual value risks) and partly by the dealers (indirect residual value risks). As a result, VWLGMBH would have to maintain higher value adjustments or record direct partial write-offs against income on its leasing portfolio.

Another possible outcome could be that dealers run into financial difficulties. Owing to lower sales of new and used vehicles, or sales carried out with low or (in extreme cases) no margin, due to a buying restraint of customers caused by the uncertainties surrounding the diesel issues, dealers may not be able to generate sufficient cash flows to meet their financial liabilities. The off-the-road time and the portfolio of vehicles in stock could increase and the dealers would therefore no longer be able to buy new models to resell to consumers, which would generate further pressure on the financial position of the dealers. As a result, dealer loyalty could decline and they may utilize financial products from other financial service providers or, at worst, completely refrain from doing business with VWLGMBH. Any deterioration in the creditworthiness of dealers and any loss of sales partners would have a negative impact on the profitability and the financial position of VWLGMBH.

The enforcement of intensified or time-consuming control procedures for the launch of new vehicles could also have a negative impact on VWLGMBH. A tightening of control procedures could, for example, require the subsequent installation of additional diesel features in Volkswagen Group vehicles. Both the cost of installation of additional components and delayed regulatory approval for the market launch of any particular vehicle would have a negative impact on sales figures, and therefore on revenues.

Changes in the legislation (inter alia any elimination or reduction of tax relief in the diesel sector or driving restrictions) could result in a decline in the volume and market share of the fleet business of VWLGMBH, which is dominated by diesel vehicles. In addition, there is a risk that, due to the diesel issue, VWLGMBH might be listed as an untrustworthy supplier and may no longer be able to participate in tenders or could be explicitly excluded from them. Both of these cases would have an impact on business volume and could bring about a significant and lasting loss of reputation in this segment.

The Volkswagen Group may also have to implement austerity programs as a result of the diesel issue, for example by reducing or canceling its sales support for, or promotion of, financial services products. Therefore, VWLGMBH might be required to implement interest rate and concomitant price increases or, alternatively, may have to bear the costs of the sales incentives. New business and/or profitability may decline as a result.

Refinancing costs also have a significant impact on the business of VWLGMBH. The risk is that refinancing costs will rise as a result of the diesel issue – for example due to downgrades by the rating agencies, investor caution as a result of Volkswagen Group uncertainty, or through limited access to the money and capital market if funding sources are not available to the full extent. Higher refinancing costs would reduce margins and/or increase prices for customers, which in turn could reduce the turnover of financial service products. Moreover, the diesel issue could lead to an early redemption of asset-backed securities with respect to which Volkswagen Group vehicles with diesel engines serve as collateral.

VWLGMBH is positioned in Europe and active in different markets. Were Volkswagen Group sales to decline sharply in some markets as a result of the diesel issue, VWLGMBH might have to position itself more narrowly in these markets over the long term and, where necessary, reduce future investments. If Volkswagen Group brands withdraw from certain markets, VWLGMBH, as a captive subsidiary, would possibly follow. This would reduce the earnings potential of VWLGMBH, and additionally, it would ultimately reduce the advantage of the risk-minimizing diversification through the spreading of risk by a presence in different markets. Any reputational loss as a result of the diesel issue could induce sales or commission-based business partners in some markets to terminate their cooperation with the Volkswagen Group. This could also lead to fewer financial services products being sold by VWLGMBH.

VWLGMBH could become involved in legal or regulatory proceedings specifically in relation to the diesel issue either directly through its provision of leasing or other financial services in relation to affected vehicles, or indirectly in connection with potential claims against Volkswagen AG, other subsidiaries of the Volkswagen Group or dealers. Governmental authorities in various jurisdictions have also commenced investigations involving certain of VWFSAG's subsidiaries, the outcome of which is not yet certain. It cannot be excluded that governmental authorities start investigations against VWFSAG and/or its subsidiaries, including VWLGMBH.

Finally, the regulatory authorities could increase regulatory pressure on VWFSAG Group as a direct consequence of the diesel issue. Such regulations (e.g. higher equity requirements, increased processing and documentation costs, or additional personnel) may result in higher costs for VWFSAG Group and might have an impact on VWLGMBH as well.

**Demand for VWLGMBH’s products and services depend upon the overall economic situation, which in turn can be impacted by market volatility, macroeconomic trends, protectionist tendencies and other risks.**

As a financial company active in Europe, VWLGMBH benefits from stable markets and a growing European economy. A weakening of the economy may have a negative impact on VWLGMBH's business. Stagnation or declines in countries and regions that are major economic centers have an immediate effect on the global economy and thus pose a key risk for VWLGMBH`s business.

Any signs of economic uncertainty in Europe, including a slowdown in economic growth, largescale government austerity measures or tax increases, could lead to significant long-term economic weakness. In addition, the decision by the United Kingdom in June 2016 to leave the European Union has had consequences for macroeconomic growth and outlook in Europe as well, affected exchange rates and could negatively impact VWFSAG’s – and as a result VWLGMBH’s – business, financial position and results of operations..

Geopolitical tensions, escalation of conflicts, armed conflicts, terrorist activities, natural catastrophes or the spread of infectious diseases are a further major risk to the performance of individual economies or regions.

Economic weakness, structural deficits and geopolitical risk have had, and may continue to have, an adverse effect on the business, liquidity, financial condition and results of operations of VWLGMBH's.

**VWLGMBH as a captive finance company is by nature dependent on sales by Volkswagen Group, meaning any risk that is negatively influencing the vehicle delivery of Volkswagen Group may have adverse effects on the business of VWLGMBH.**

VWLGMBH, as a captive finance company, has a limited business model, namely the sales support of products of the Volkswagen Group. Thus, the financial success of VWLGMBH depends largely on the success of the Volkswagen Group. Especially the development of the vehicle deliveries to customers of Volkswagen Group is crucial and material to the generation of new contracts for VWLGMBH. As long as the Volkswagen Group is able to satisfy customer needs and to comply with market standards/ requirements with its products and thus keep its deliveries to customers at a high level or increase them, VWLGMBH will benefit. However, the same dependence also results in the opposite direction, so that less customer deliveries would result in less business for VWLGMBH.

The reason for fewer vehicle sales can be diverse, including but not limited to the following: If economic growth does not materialize to the extent expected or if economic conditions weaken in a particular market, the Volkswagen Group may sell fewer products in such market or obtain lower than expected prices. Additionally, a lack of economic growth could lead to a decrease of deliveries to customers caused by intensified price competition among automotive manufacturers. As a rule, a weakening economy is accompanied by lower disposable income from both existing and potential new customers. A decrease in customers' disposable income or their financial condition will generally have a negative impact on vehicle sales.

Moreover, further legal investigations might be launched in the future and existing investigations could be expanded. This may result in further legal actions being taken against Volkswagen Group and could have a negative influence on customer behavior and the business of VWLGMBH.

Finally, if regulatory / political decisions (e.g. sales stops, driving bans, WLTP) or technological developments (e.g. e-mobility) may influence customer demand, the sales of Volkswagen Group could be negatively influenced resulting in less business opportunities for VWLGMBH.

Although VWLGMBH operates different brands in different countries an exceptionally strong reduction of vehicle deliveries in the core market might result in negative volume and financial performance for VWLGMBH.

**VWLGMBH is exposed to strategic risks that could arise from unfavorable decisions on business development, products, pricing, investments in infrastructure or personnel.**

VWLGMBH's management is regularly required to make strategic decisions that may have a significant impact on VWLGMBH, general business activities, operations, and financial position. These decisions cover multiple topics ranging from entry into, or exit from particular businesses or product lines, pricing of products, investments into particular marketing efforts or infrastructure, including IT infrastructure, to risk management and hiring of key personnel. Strategic risk means a risk of a direct or indirect loss resulting from strategic decisions based on errors or false assumptions. Strategic risk also implies failure to reach strategic objectives as well as the risks arising from integration/reorganisation of technical systems, personnel and corporate culture.

Should a strategic risk scenario materialize, it could endanger VWLGMBH's existence, lead to lower profits and could have a material adverse effect on reputation, general business activities, operations, and financial position.

**Deviations between expected and realized profit and loss may lead to earnings risks for VWLGMBH.**

Earnings risks denote the danger of deviations between planned and realized income statement earnings according to the management concept of VWLGMBH. It is derived from any variance in the actual income (negative variance) and actual expenses (positive variance) in comparison with the budgeted figures.

The risk is largely determined by the business strategy and internal business planning as well as by changes in general operating parameters (such as the level of sales in the Volkswagen Group, business volume, technical processes, competitive environment).

Should the risk materialize, this could reduce profits and could therefore have a material adverse effect on the business, financial condition and results of operations of VWLGMBH.

**A change in consumer preferences or additional governmental regulations may have an adverse effect on VWLGMBH's business activities.**

A change in consumer preferences or governmental regulations away from transport by automobile, as well as a trend towards smaller vehicles or vehicles equipped with smaller engines, alternative drivetrains or other technical enhancements could have a material adverse effect on VWLGMBH's general business activities.

Private and commercial users are increasingly open to using modes of transportation other than the automobile, especially in connection with growing urbanization. The reasons for this could include rising costs associated with owning a vehicle, increasing traffic density in major cities and environmental awareness. Environmental concerns in particular are prompting calls for increasing traffic or vehicle restrictions, such as the diesel vehicle bans being contemplated or gradually implemented across various cities or regions, or quotas being set for electric vehicles.

In many places, lawsuits have been filed arguing that only driving bans for diesel vehicles will bring about the necessary short-term reduction in nitrogen dioxide emissions. These debates have already caused sales of diesel vehicles to decline. Local driving bans are already in place in a number of countries, though these mainly affect older vehicles. With a view to the future, large urban areas such as Paris and London are discussing banning vehicles with combustion engines. The move towards more stringent regulations, particularly for conventional driving systems, is accelerating not only in the developed markets of Europe and North America, but also in emerging markets such as China, and shapes consumer preferences. Furthermore, the increased openness to use ride and car sharing concepts and new city-based car rental schemes may reduce dependency on privately owned automobiles altogether. Moreover, transport of goods may shift from trucks to other modes of transport, which could lead to lower demand for Volkswagen's commercial vehicles or could change the customer requirements towards commercial vehicles.

**Wrong product decisions linked to regulatory or competitive criteria could lead to lower product profitability due to missed customer needs, reputational damage or fines and finally may have negative effects on the overall business of VWLGMBH.**

The primary objective of VWLGMBH is to promote the sales of the vehicles Volkswagen Group produces and to strengthen customer loyalty to Volkswagen Group's brands. In order to fulfill this role, VWLGMBH has to offer products that on the one hand meet customer demands and on the other hand generate profits. Hence the decision-making process, whether or not a product is introduced is important for the success of VWLGMBH. Every product decision is subject to various risks and if risks are not properly taken into account as part of the product decision, this may generate losses in sales results and damage VWLGMBH’s and/or Volkswagen Group's image.

Products have to comply with regulatory requirements. VWLGMBH operates in a highly regulated environment. A wrong product decision or erroneous product design, which violates legal or regulatory rules, could result in regulators mistrusting the Volkswagen Group and to significant fines and reputational damage.

Furthermore, wrong advertising without the disclosure of a material condition or deceptive statements could also affect customer loyalty and sales results.

The ability to offer financial services products that meet customer demands is the main critical success factor to reach VWLGMBH targets. If VWLGMBH is unable to adapt its product offerings to meet customer demands or if VWLGMBH misjudges the competitive environment, this could lead to significant sales risk with a material effect on VWLGMBH's business and financial results. Moreover, unattractive products from VWLGMBH could not only affect its own sales volume but also the sales volume of Volkswagen Group, because potential customers with financing and leasing needs may view competitors' financing offers as more favorable and thus purchase products of competitors.

During the start-up phase of new products, the cannibalization effects (decrease in new contracts of a product due to the introduction of another product in the same product line) has to be taken into account by calculating the effects of the product introduction on the existing product portfolio. If VWLGMBH does not consider this cannibalization effects in the development of new products or makes unrealistic assumptions, this could have negative impact on the financial result.

**VWLGMBH may not be able to keep pace with the process of digitalisation, which may have an adverse effect on the business, financial condition and results of operations of VWLGMBH.**

VWLGMBH is facing risks from new players entering the industry and new technologies changing the generation and delivery of products and services. Digitalisation will have a significant and far-reaching impact for the financial services sector.

Due to the rapidly changing environment in the digital world, the current sales and services processes will change and new - unregulated - players will enter the financial services markets challenging established players and business models. This entails the risk that VWLGMBH may not be able to respond in time to challenges posed by new players in the digital environment. This might have an adverse effect on customer relationships, as current and future customers could turn away from VWLGMBH and purchase products from other suppliers.

The customer expects to have access to financial information independent of time and location and to purchase financial services products through a variety of sales channels. The greatest challenge for VWLGMBH is to establish the relevant processes meeting the customer needs in time.

A further risk for VWLGMBH is that it might provide insufficient information on its online platforms. A lack of transparency may have a negative impact on the reputation of VWLGMBH.

VWLGMBH takes on the challenges of digitalisation. Therefore a corresponding strategic area of activity, "ROUTE2025", was integrated into the corporate strategy to identify and monitor future digital development within VWLGMBH's markets. Despite these efforts, it cannot be ruled out that competitors are faster or more innovative in implementing digital solutions, which could have a negative impact on the earnings situation of VWLGMBH.

**VWLGMBH is exposed to the risk that its customers or other contractual counterparties may default or that the credit quality of its customers or other contractual counterparties may deteriorate.**

The risk of counterparty default at VWLGMBH is defined as the potential negative deviation of the actual counterparty risk outcome from the planned one. This includes the risk of default on lease payments and other receivables. The deviation in outcome occurs when the actual loss exceeds the expected loss due to changes in internal credit ratings or credit losses. Within the risk type "risk of counterparty default", VWLGMBH distinguishes between credit risk, credit risk from intercompany loans, counterparty risk and country risk.

**Credit Risk**

Credit risk concerns the risk of loss through defaults in the customer business, for example, due to non-payments by a lessee of its obligations. The default is contingent on the inability or unwillingness of the lessee to make payments. This includes scenarios where the contracting party makes payments late, only partially or not at all.

Credit risks, including risks of counterparty default relating to leasing contracts, represent by far the largest component of VWLGMBH's risk positions among the risks of counterparty default. They result from leasing business in the automobile business.

The quality of credit risk is influenced by, among other factors, customers' financial strength, collateral quality, overall demand for vehicles and general macroeconomic conditions. In order to assess the level of credit risk, VWLGMBH uses rating- and scoring-systems that provide the relevant departments with an objective basis to evaluate a potential lease. These assessments take into account both quantitative factors (e.g. data from annual financial statements) and qualitative factors (such as the prospects for future business growth and the respective customer's payments record). Although VWLGMBH regularly validates the parameters and models, there can be no assurance that the calculated probabilities accurately reflect the future developments. If, for example, an economic downturn were to lead to increased inability or unwillingness of lessees to repay their debts, increased write-offs and higher provisions would be required, which in turn could adversely affect VWLGMBH's results of operations.

VWLGMBH has implemented detailed procedures in order to contact delinquent customers for payment, arrange for the repossession of unpaid vehicles and sell repossessed vehicles. However, there is still the risk that VWLGMBH's assessment procedures, monitoring of credit risk, maintenance of customer account records and repossession policies might not be sufficient to prevent negative effects for VWLGMBH.

Further credit risks could arise if the Board of Management of VWLGMBH would decide on a more aggressive risk tolerance. For instance, the acceptance policy for lease contracts could be adjusted to a riskier approach. This could lead to the situation that the credit risk would increase, but the planned income from the additional business could not compensate the additional risk related costs. As a consequence the operational results of VWLGMBH could be adversely affected.

**Credit Risk from intercompany loans**

Credit risk from intercompany loans arises from loans of VWLGMBH companies that are part of Volkswagen Group. The risk represents the potential loss from the exposures including funding in case of failure of such companies, which arises when transactions with these companies were not reduced or stopped before default. Should this risk materialize, this could have a material adverse effect on VWLGMBH's financial position.

**Counterparty Risk**

Counterparty risk arises primarily from derivative transactions with financial institutions (e.g. to manage interest rate risk and foreign currency exposure).

If counterparty risks materialize, either by way of defaults or deterioration in the credit standing of VWLGMBH's contractual counterparties, this could have a material adverse effect on VWLGMBH's net assets, financial position and results of operations. This includes scenarios where the contracting counterparties make payments late or not in full.

**Country Risk**

Country risk comprises risks in international commerce, which arise not from the contracting partner itself but due to its location abroad. Political or economic developments as well as difficulties in the overall financial system in a particular country may impact cross-border capital services such as transfer restrictions induced by official measures in a foreign country such as capital controls.

The country risk is analyzed and taken into account by VWLGMBH, particularly with regard to refinancing and shareholdings in foreign companies, as well as with regard to lending to customers.

**A decrease in the residual values or the sales proceeds of returned vehicles could have a material adverse effect on the business, financial condition and results of operations of VWLGMBH.**

As a lessor under leasing contracts VWLGMBH generally bears the risk that the market value of vehicles sold at the end of the term may be lower than the contractual residual value at the time the contract was entered into (so-called residual value risk). VWLGMBH takes such differences into account in establishing provisions for the existing portfolio and in its determination of the contractual residual values for new business.

VWLGMBH distinguishes between direct and indirect residual value risks. If VWLGMBH carries the residual value risk, it is referred to as a direct residual value risk. Residual value risk is indirect when that risk has been transferred to a third party (such as a dealer) based on a residual value guarantee. For example in Germany, VWLGMBH frequently enters into agreements that require dealers to repurchase vehicles, so dealers, as residual value guarantors, would bear the residual value risk. When dealers act as the residual value guarantors and if the dealer defaults, the vehicle and also the residual value risk pass to VWLGMBH.

The residual value risk could be influenced by many different external factors. A decline in the residual value of used cars could be caused by initiatives to promote sales of new vehicles, which was evident during the global financial and economic crisis when incentive programs were offered by governments (e.g. scrapping premium) and automobile manufacturers. All the aforementioned factors result in increasing provisioning for residual value risk. It cannot be ruled out that a similar scenario due to renewed deterioration of the macroeconomic environment could occur in the future.

Moreover an adverse change in consumer confidence and consumer preferences could lead to higher residual value risks for VWLGMBH. Customers determine the demand and therefore the prices of used cars. If customers refrain from purchasing Volkswagen Group vehicles, for example due to such vehicles' perceived poor image or unappealing design, this could have a negative impact on residual values.

Furthermore, changes in economic conditions, government policies, exchange rates, marketing programs, the actual or perceived quality, safety or reliability of vehicles or fuel prices could also influence the residual value risk.

For instance, public discussions in Germany on potential political activities in sense of driving bans for Diesel vehicles might influence the residual value risk of the relevant VWLGMBH portfolio. Due to the fact that customers might change their consumption behavior and refrain from buying Diesel vehicles, these bans could have a negative impact on the corresponding market prices. For this reason the residual value risk might increase and could materially adversely affect VWLGMBH's net assets, financial position and results of operations.

Furthermore, the development of residual value risks could be influenced by the topic of e-mobility. On the one hand, rapid technical progress in the field of battery technology in favor of vehicle ranges could lead to increasing residual value risks in existing electric vehicle portfolios, as customer demand for outdated technologies is supposed to be falling, especially in the first few years. On the other hand, due to substitution effects, sales of electric cars as a result of changing customer behavior could have a negative impact on the residual values of conventional combustion based vehicles, as a result of decreasing customer demand. Finally, e-mobility developments and the impact on residual value risks are difficult to predict and could therefore materially adversely affect VWLGMBH's net assets, financial position and results of operations.

Uncertainties may also exist with respect to the internal methods for calculating residual values, for example owing to assumptions that prove to have been incorrect. Although VWLGMBH continuously monitors used car price trends and makes adjustments to its risk valuation, there is still the risk of using false assumptions to assess the residual value risk.

Estimates of provisions for residual value risks may be less than the amounts actually required to be paid due to misjudgments of initial residual value forecasts or changes in market or regulatory conditions. Such a potential shortfall may have a material adverse effect on VWLGMBH's business activities, net assets, financial position and results of operations.

**VWLGMBH is exposed to concentrations of risk, such as counterparties, collaterals or incomes that are typical for a captive finance company.**

Risk concentrations can arise to various degrees due to VWLGMBH's business model, which focuses on promoting sales of the various Volkswagen Group brands.

Concentrations of counterparties are currently insignificant for VWLGMBH because a large part of the leasing business deals with retail loans. VWLGMBH's business is concentrated in the German market. Hence, the customer and asset class structure may change in the future and therefore concentrations of counterparties could arise. Industry concentrations in the dealer business are inherent to a captive finance company.

Concentrations of collateral exist for VWLGMBH, because vehicles are the predominant type of collateral. Risks from concentrations of collateral can arise if negative price movements in the overall used car markets or especially in Volkswagen Group's brands reduce proceeds from the disposal of collateral and, as a result, cause a decline in the value of collateral. Since VWLGMBH promotes sales of various Volkswagen Group brands and their different vehicles the risk of synchronous price movements cannot be neglected completely.

A concentration of income arises due to VWLGMBH's business model. The particular role as a sales promoter for the Volkswagen Group gives rise to dependencies that directly affect the development of income.

The occurrence of risk concentrations could adversely affect VWLGMBH's net assets, financial position and results of operations.

**VWLGMBH is exposed to operational risks, such as process risks, personnel risks, technology risks and external risks that could have negative effects on its business.**

Operational risk at VWLGMBH is defined as the threat of losses that arise from the inappropriateness or failure of internal processes (process risks), people (personnel risks), systems (technology risks, e.g. IT risks) or external factors (external risks, e.g. terror attacks). This definition includes legal risks as well as project related risks.

VWLGMBH relies on internal and external information and technological systems to manage its operations and as a result is subject to potential losses from breaches of security or laws, system or control failures, inadequate or failed processes, human error, business interruptions and external events etc. Any of these events could have a material adverse effect on business operations, increase the risk of loss resulting from disruptions of normal operating procedures, cause considerable information retrieval and verification costs, and potentially result in financial losses or other damage to, including damage to VWLGMBH's reputation.

Operational risks are increasingly important due to the rising complexity of the financial services industry, the growing speed of innovation as well as the increased use of new technology in the financial services business.

**Process Risks**

The efficient, day-to-day performance of the business of VWLGMBH relies heavily on a large number of internal processes, for example on leasing processes as well as regulatory reporting processes. Any missing, outdated or defective processes as well as critical flaws in processes or failure by VWLGMBH's employees to properly follow process related instructions can expose VWLGMBH to significant risks and could have a material adverse effect on its business, financial condition and results of operations.

**Personnel Risks**

Risks relating to VWLGMBH's employees are described as personnel risk. The individual skills and technical expertise of VWLGMBH's employees are a major factor contributing to VWLGMBH's success. If VWLGMBH loses experienced employees due to turnover, targeted recruiting or retirements, this may lead to a significant drain on VWLGMBH's know-how.

Because of demographic developments VWLGMBH has to cope with changes relating to an aging workforce and has to secure a sufficient number of qualified young persons with the potential to become the next generation of highly skilled specialists and executives.

Competition for qualified personnel is increasing and if VWLGMBH fails to retain qualified personnel to the necessary extent, or if it fails to add additional qualified personnel or to continue to train existing personnel, VWLGMBH may not reach its strategic and economic objectives.

In addition, unintended errors, unauthorized actions or wrong decisions may lead to significant competitive disadvantages.

**Technology Risks**

A functioning and secure IT is essential for the ongoing business and thus for the success of VWLGMBH. In order to satisfy the requirements related to international financial services, VWLGMBH operates comprehensive and complex IT systems. A group-wide harmonization of various IT systems and data centers of VWLGMBH with those of third parties connected thereto constitutes a great challenge in regard to creating a uniform IT

architecture. This is, among other things, due to the size, complexity and international nature of VWLGMBH. In a centralized and standardized IT environment, there is a risk of excessive dependence on a single system or a single data center. In that case, a system failure could have serious consequences for VWLGMBH. However, a lack of standardization in the data centers bears risks concerning the security and availability of IT systems, i.e. the operational ability in an emergency. Failure to create a uniform IT architecture across VWLGMBH subjects it to risks inherent in a non-uniform IT system, such as compatibility issues for both hardware and software or the necessity to train personnel for different systems.

Additionally, numerous essential functional processes in the leasing business depend on computer-controlled applications and cannot be carried out without properly functioning IT systems and IT infrastructure. Malfunctions or errors in internal or external IT systems and networks, including potential outside intrusions by hackers or computer viruses, software or hardware errors and violations of data integrity could have adverse effects on the operations of VWLGMBH. Further risks such as modern industrial espionage and targeted attacks as well as the possibility of insider attacks challenge the availability, confidentiality, integrity, authenticity and traceability of systems and data at VWLGMBH.

Furthermore, regular or event-driven updates are required for many of VWLGMBH's IT systems in order to meet increasingly complex business and regulatory requirements. Some of the IT-systems used by VWLGMBH are no longer supported by their vendors or updates are delivered incorrectly or with a delay respectively. IT system downtime, interruptions, functional deficits or security flaws may significantly adversely affect customer and business partner relationships, accounting and business processes and hence result in significant expenses for data restoration and verification. Among other things, IT incidents or malicious attacks on mobile online services directly affect customers and may attract negative media attention.

VWLGMBH collects, processes and uses confidential employee-, customer-, brand- and dealer data. In this regard, VWLGMBH must comply with applicable data protection laws in order to prevent the abuse of personal or contractual data. Violations of such laws may damage VWLGMBH's reputation, constitute administrative offenses or criminal acts and lead to damages claims and fines as well as business interruptions.

VWLGMBH participates within several national and international, partially cross-company IT projects with the aim to further develop and extend the product range also under the use of new technologies. Insufficient project management can lead to delayed project realizations or reduced targets and revenues. In connection with external procurement of capacities, risk with a view to internal know-how can arise.

VWLGMBH coverage may not be adequate to cover all the costs related to IT risks. Any failure to prevent such IT risks could subject VWLGMBH to liability, decrease VWLGMBH's profitability and damage its reputation.

**External Risks**

The occurrence of catastrophic or unforeseen events (so called external risks), including natural disasters, terrorist attacks, the emergence of a pandemic, strike, fire or other widespread emergency could create economic and financial disruptions, lead to operational difficulties (including travel limitations or relocation of affected employees) that could have an adverse effect on VWLGMBH's financial condition and results of operations.

**Dependency on service providers and on contracted services that may be rendered incompletely or not at all could have negative effects on the business operations of VWLGMBH.**

As part of its operative activities, VWLGMBH uses the support of external service providers. Generally, the selection and cooperation with external service providers is regulated by instructions and processes of VWLGMBH. In connection with external service providers, there are risks that cannot be excluded despite minimizing risk targets and instruments.

VWLGMBH faces the risk that the contracted services are not rendered in full or not at all. This could cause an increased financial burden to purchase the services in the required scope, time and quality. In exceptional cases, an external service provider could terminate business operations abruptly or with a short lead time, for example due to insolvency or disaster scenarios. Finally, the aforementioned risks could result in VWLGMBH providing services to its stakeholders with delay, in lower quality or not at all. These risks may financially affect VWLGMBH.

**VWLGMBH is exposed to litigation risks that may result from legal disputes, governmental investigations or other official proceedings with various stakeholders.**

In the course of its operating activities, VWLGMBH could become subject to legal disputes, governmental investigations or other official proceedings in Germany as well as abroad. In particular, but not limited to the following scenarios, such proceedings may be initiated by relevant authorities, suppliers, dealers, customers, consumer associations via the recently introduced so-called Musterfeststellungsklage ("model declaratory action"), employees, or investors and could relate to, inter alia, legal and regulatory requirements, competition issues, ethical issues, money laundering laws, data protection laws, non-compliance with civil law and information

security policies. These proceedings may result in payments, regulatory sanctions or other obligations. Complaints brought by suppliers, dealers, investors or other third parties may also result in significant costs, risks or damages for VWLGMBH. There may be investigations by governmental authorities into circumstances of which VWLGMBH is currently not aware, or which have already arisen or will arise in the future, including in relation to alleged violations of supervisory law, competition law or criminal law.

Furthermore, VWLGMBH must comply with consumer credit regulations adopted in European countries pursuant to the European Union Consumer Credit Directive and other directives. The Consumer Credit Directive and other consumer protection legislations are mainly focusing on credit agreements and their application and adaption to lease contracts is partly uncertain. In addition, case law, which has – in the absence of written laws – great impact on lease contracts, is often hard to predict. Any violation of compliance with these laws could result in claims from a large number of customers and could have a materially adverse effect on VWLGMBH's business operations and financial condition.

VWLGMBH is facing litigation in the area of consumer credit law. A number of customers have revoked their lease contracts and have engaged in pre-trial as well as court proceedings, most of which are currently pending. They claim that VWLGMBH has not complied with all aspects of German consumer credit law in its German consumer lease contracts leading to the customers' right to revoke (widerrufen) their contracts. In particular, VWLGMBH is alleged to have provided insufficient consumer information. Under German law, the requirements for revocation of consumer contracts and the legal consequences are controversial and legally disputed in particular, in the absence of specifications in laws and regulations, with regard to leasing. Potential law suits may make use of the model declaratory action procedure or any other legal action in this context that involve or may lead to the involvement of a significant number of individual claimants and may significantly increase the number of lending contracts threatened by litigation. If German courts were to issue lessee-friendly final rulings and a large number of customers would revoke their contracts, this could lead to the potential winding-up of a significant number of contracts, to restitution claims and/or potential other claims of customers. This could have a substantial negative impact on VWLGMBH's financial position or profitability.

As an automotive manufacturer-associated provider of financial services, VWLGMBH enters into lease contracts of Volkswagen Group vehicles with retail and corporate customers. As such, VWLGMBH is dependent on the sale and quality of Volkswagen Group vehicles. Any irregularities of these vehicles might affect VWLGMBH's business, in particular since its lease contracts are based on the sales contract of the respective vehicle and customers might refuse payment of lease instalments or claim rescission of contract.

Litigation is inherently uncertain, in particular since court decisions in various jurisdictions – in the absence of specifications in laws and regulations – have a great impact on lease contracts. As a result it is often hard to predict, and VWLGMBH could experience significant adverse results regardless of the merits of any alleged claims or outcomes of proceedings in which it is directly or indirectly involved. In addition, adverse publicity relating to allegations involving VWLGMBH, VWFSAG Group or the Volkswagen Group may cause significant reputational harm that could have a material adverse effect on VWLGMBH.

Any of the foregoing could have a material adverse effect on VWLGMBH's business, financial position, results of operations and its reputation.

**VWLGMBH may not be able to use its trademarks / intellectual property rights or to adequately protect its intellectual property and could be liable for infringement of third-party intellectual property.**

VWLGMBH is using trademarks and other intellectual property rights owned by the Volkswagen Group, which are of essential importance to VWLGMBH's business success. If such rights were challenged and Volkswagen Group manufacturer will not be able to secure such rights in the future, VWLGMBH may not be allowed to use these trademarks or intellectual property rights, which might adversely affect its general business activities, net assets, financial position and results of operations.

VWLGMBH owns a number of trademarks and other intellectual property rights. Despite ownership of these rights, VWLGMBH may not be able to enforce claims against third parties to the extent required or desired. VWLGMBH's intellectual property rights may be challenged and VWLGMBH may not be able to secure such rights in the future. Furthermore, third parties may violate VWLGMBH's intellectual property rights and VWLGMBH may not be able to prevent such violations for legal or factual reasons.

VWLGMBH may also infringe patents, trademarks or other third-party rights or may not have validly acquired service inventions. Moreover, VWLGMBH may not obtain all licenses necessary for carrying on its business successfully in the future. If VWLGMBH is alleged or determined to have violated third-party intellectual property rights, it may have to pay damages or may be barred from marketing certain products. VWLGMBH could also face costly litigation.

**Increased regulations and measures could affect business profitability and results of operations of VWLGMBH.**

As a response to the global financial crisis, most jurisdictions have imposed increased regulations and implemented measures designed to prevent future financial crises or diminish their effects. Such implemented or planned regulations and measures may lead to additional costs, materially affecting the business, results of operations and profitability of VWLGMBH. To prevent a future financial crisis, legislators may decide on additional charges and taxes, for example the introduction of taxes on financial market transactions. Any such new rules may have a negative impact on the net assets, financial position and results of operations of VWLGMBH.

VWLGMBH is subject to regulation and supervision in Germany by BaFin and Bundesbank. These supervisory bodies have broad jurisdiction over many aspects of VWLGMBH's operations, including marketing and selling practices, licensing and terms of business. Any changes in the regulatory framework and its applications, or any further implementation of new requirements for financial institutions, may have a material effect on the business and operations of VWLGMBH. Each of VWLGMBH's operations also face the risk that the relevant supervisory body may find it has failed to comply with applicable regulations and any such regulatory proceedings could result in adverse publicity for, or negative perceptions regarding, such supervised entity, which could reflect on VWLGMBH. In addition, any significant regulatory action against a member of VWFSAG Group could have a material adverse effect on VWLGMBH's business results.

Furthermore, VWLGMBH must comply with consumer credit regulations adopted in European countries pursuant to the European Union Consumer Credit Directive and other directives. The Consumer Credit Directive and other consumer protection legislations are mainly focusing on credit agreements and their application and adaption to lease contracts is partly uncertain. In addition, case law, which has – in the absence of written laws – great impact on lease contracts, is often hard to predict. The costs of complying with these laws and regulations, as well as with any additional regulation, could affect the conduct of VWLGMBH's business and negatively affect its financial condition. Any violation of compliance with these laws could have a materially adverse effect on VWLGMBH's business operations and financial condition.

**As part of VWFSAG Group, VWLGMBH is exposed to the risk of higher regulatory costs and reduced levels of activities resulting from the supervision of banks.**

The implementation of regulatory changes has already resulted in higher costs and future implementation of further changes may continue to increase the cost of compliance as well as other costs for VWFSAG Group. VWLGMBH, as part of VWFSAG Group, might be affected by higher regulatory costs as well. Moreover, depending on the type of regulatory changes, the regulatory aspects could also lead to reduced levels of activity. Both, increasing costs of compliance and reduced levels of activities might have an adverse effect on VWLGMBH's business, financial condition and results of operations.

**VWLGMBH has to comply with comprehensive and constantly changing government regulations which bears the risk that laws are not being adhered to properly or efficiently.**

Compliance with law is a basic precondition for the success of VWLGMBH. The increasing number and complexity of legal regulations increase the risk that legal requirements are violated, either because they are not known or because they are not fully understood. VWFSAG Group has established a compliance system to make sure that all representatives, managers and employees act within the legal requirements in each jurisdiction in which VWLGMBH operates. However, there remains a risk that representatives, managers or employees do not act in compliance with applicable laws. A violation of applicable law could lead to the imposition of penalties, liabilities, additional compliance costs, restrictions on or revocations of VWLGMBH's permits and licenses, restrictions on or prohibitions of business operations and other adverse consequences.

VWLGMBH believes that it maintains all material licenses and permits required for the current operations and that it is in substantial compliance with all applicable regulations. However, there can be no assurance, that VWLGMBH will be able to maintain all required licenses and permits, and the failure to satisfy those and other regulatory requirements could have a material adverse effect on its operations. Further, the adoption of additional, or the revision of existing, rules and regulations could have a material adverse effect on VWLGMBH's businesses. Costs of compliance with applicable laws are considerable and such costs are likely to increase further in the future. Such costs can affect operating results. Compliance also requires forms, processes, procedures, controls and the infrastructure to support these requirements. The failure to comply could result in significant statutory civil and criminal penalties, monetary damages, legal fees and costs, possible revocation of licenses and damage to reputation, brand and valued customer relationships.

**The compliance and risk management systems of VWLGMBH may prove to be inadequate to prevent and discover breaches of laws, regulations and internal standards or might not be able to identify, measure and take appropriate countermeasures against all relevant risks.**

In connection with its business operations in Europe, VWLGMBH must comply with a range of legislative and regulatory requirements in a number of countries. VWLGMBH has a compliance and risk management system that supports VWLGMBH's operational business processes, helps to ensure compliance with legislative and regulatory provisions and, where necessary, initiates appropriate countermeasures.

In addition to compliance with law, integrity is a significant element of VWLGMBH's corporate culture and is one basic success factor of VWLGMBH.

VWLGMBH has set up measures and activities to make sure that all representatives, managers and employees act integer and in line with VWFSAG Group's Code of Conduct and its internal regulations and standards. The implemented anonymous whistleblower system shall ensure that violations of the law, the Code of Conduct or internal regulations are reported and investigated.

However, there remains a risk that members of VWLGMBH governing bodies, employees, authorized representatives or agents may violate applicable laws, regulatory requirements, internal standards and procedures. VWLGMBH may not be able to identify such violations, evaluate them correctly or take appropriate countermeasures. Furthermore, VWLGMBH's compliance and risk management systems may not be appropriate to its size, complexity and geographical diversification and may fail for various reasons. In addition, VWLGMBH cannot rule out that, for example in contract negotiations connected with business initiation, members of VWLGMBH's governing bodies, employees, authorized representatives or agents have accepted, granted or promised advantages for themselves, VWLGMBH or third parties, have applied comparable unfair business practices, or continue to do so. VWLGMBH's compliance and risk management system may not be sufficient to prevent such actions.

The occurrence of these risks may result in a reputational loss and various adverse legal consequences, such as the imposition of fines and penalties on VWLGMBH or members of its governing bodies or employees, or the assertion of damages claims.

If any of these risks were to materialize, this could have a material adverse effect on VWLGMBH's business, net assets, financial condition and results of operations.

**VWLGMBH is exposed to interest rate risk and foreign currency risk.**

In the course of VWLGMBH's regular business activities, financial risks may arise from changes in interest rates and fluctuations in foreign currency exchange rates.

**Interest Rate Risk**

Interest rate risk consists of potential losses from changes in market rates. It arises from non-matching interest periods of a portfolio's assets and liabilities. Interest rate risks are incurred in the banking book of VWLGMBH. The consequences of unforeseen interest rate changes mainly comprise interest rate losses due to a potential mismatch between primarily long-term fixed interest rates on the asset side and short-term interest rates on the liability side.

**Foreign Currency Risk**

Currency risks arise in connection with deviations from numerical inconsistencies between foreign currency items shown in assets and in liabilities. In individual cases, open currency items are conceivable. The functional currency and reporting currency of VWLGMBH is the Euro. However, because VWLGMBH operates in Poland, there are substantial assets, liabilities, revenues and costs denominated in Polish Zloty. This can lead to an exposure to exchange rate volatility as a result of potential mismatches between the currencies in which assets and liabilities are denominated and as a result of the exchange rate and/or evaluation effect on reported earnings, equity and other financial parameters. If foreign currency risks would materialize, substantial losses in all positions affected by foreign currencies could occur.

VWLGMBH's hedge-accounting strategy towards interest rate risk may turn out to be ineffective, in respect to IFRS accounting. This could lead to volatility in the P&L statements. VWLGMBH hedges interest rate risks and risks arising from fluctuations in the value of financial instruments by means of interest rate swaps and other interest rate contracts with matching amounts and maturity dates. This also applies to financing arrangements within the Volkswagen Group.

VWLGMBH utilizes a range of instruments and strategies to hedge these risks. If these instruments and strategies prove to be partly or entirely ineffective, VWLGMBH may sustain losses out of unhedged positions that were actually intended to have been hedged.

It cannot be ruled out that these risks are unsuccessfully, not adequately or not fully hedged and thus leave an exposure to fluctuations in prices, which could have a significant adverse effect on the financial situation of VWLGMBH.

**The business of VWLGMBH requires substantial funding and liquidity, and disruption in VWLGMBH's funding sources or access to the capital markets could have a material adverse effect on its business, liquidity, cash flows, financial condition and results of operations.**

Liquidity risk refers to the risk that due payment obligations cannot be met in full or in a timely manner, or - in the case of a liquidity crisis - that refinancing instruments can only be obtained at higher market rates or not at all or assets can only be sold at a discount to market prices. Therefore, liquidity risk describes the risk that required funding cannot be obtained, or can only be obtained at higher costs. It applies to payment obligations arising from the existing portfolio as well as liquidity needs for future business.

VWLGMBH´s continued operations require access to significant amounts of funding. VWLGMBH carries out refinancing separately from Volkswagen Group's liquidity holdings. Nevertheless, VWLGMBH regularly receives funding from Volkswagen Group. Furthermore, VWFSAG and its subsidiaries also provide substantial amounts of funding to VWLGMBH. Therefore, VWLGMBH is dependent on Volkswagen Group's and VWFSAG's liquidity situation.

Historically, VWLGMBH has mainly satisfied its funding requirements through the issuance of short and long-term debt securities out of money market and capital market programs, bank loans, operating cash flows and the securitization of lease receivables including residual values. Therefore VWLGMBH is dependent on continued access to these funding sources.

The diverse access to funding sources may be limited in the future by potential market or regulatory changes in the banking sector. Due to its ongoing funding needs, VWLGMBH is also exposed to liquidity risk in the event of prolonged closure of debt or credit markets. VWLGMBH relies to a certain degree on the ability to transfer leased assets to newly formed or existing securitization trusts and special purpose vehicles and to sell securities in the asset-backed securities market to generate cash proceeds for repayment of due debt and to grow business.

There can be no assurance that VWLGMBH`s current financing arrangements will provide it with sufficient liquidity under various market and economic scenarios. A deterioration of the situation on the money and capital markets, a loss of reputation or a decrease in VWFSAG Group's or VWLGMBH's creditworthiness could greatly undermine VWLGMBH's ability to refinance itself. Even if its assets and available funding arrangements provide VWLGMBH with sufficient liquidity, its costs of funding could increase.

If these sources of funding are not available on a regular basis for any reason, including the occurrence of events of default, deterioration in loss experience on the collateral, breach of financial covenants or portfolio and pool performance measures, disruption of the asset-backed market or otherwise, VWLGMBH would be required to revise the scale of its business which would have a material adverse effect on its financial position, liquidity and results of operations. In an adverse scenario the inability to service due debt could potentially lead to insolvency.

VWLGMBH's liquidity and long-term viability depends on many factors including its ability to successfully raise capital and secure appropriate financing. In addition, under the German MaRisk, VWLGMBH has to fulfill liquidity risk ratios which may affect the type and amount of high-quality liquid assets VWLGMBH is required to maintain.

In addition, VWLGMBH is directly affected by the policies of national governments and indirectly by EU institutions, such as the European Central Bank, which influences and steers the money and credit supply in the Eurozone.

**The credit ratings of Notes issued by VWLGMBH are subject to changes of Volkswagen AG's and VWFSAG's credit ratings. Negative changes to Volkswagen AG's or VWFSAG's credit ratings could adversely affect the credit ratings of securities issued by VWLGMBH and in turn VWLGMBH's funding costs, financial condition and results of operation.**

VWFSAG is a wholly-owned subsidiary of Volkswagen AG. Due to the strong strategic and economic interlinkage between these two companies, the credit rating of VWFSAG remains strongly dependent on the economic development and on the credit rating of Volkswagen AG. The rating of notes issued by VWLGMBH strongly depends on the credit rating of VWFSAG as guarantor of these notes.

VWLGMBH's refinancing opportunities may be adversely affected by a rating downgrade or a rating withdrawal of any of VWFSAG's credit ratings, which includes transaction ratings. For example, if VWFSAG's credit ratings worsen, the demand from money and capital market participants for securities issued by VWLGMBH and thus the access to these funding sources may be negatively affected. Additionally, a rating downgrade could adversely impact the credit spreads VWLGMBH has to pay with regard to all funding instruments used. Consequently, negative changes to VWFSAG's ratings could cause adverse impacts on VWLGMBH's financial condition, liquidity, cash flows and result of operations.

Furthermore, a credit rating may not correctly reflect the solvency risks of VWFSAG as guarantor or VWLGMBH as issuer of notes. The rating agencies that currently, or in the future assign a rating to VWFSAG or VWLGMBH or its notes may change their assessment criteria. This could result in a rating action, which is based on such

criteria change, but need not necessarily be related to a deterioration or improvement of the solvency of VWFSAG as guarantor or VWLGMBH.

**VWLGMBH is exposed to the risk of insufficient insurance coverage that may arise due to higher than expected damages or intentionally uninsured risks.**

VWLGMBH has obtained insurance coverage in relation to a number of risks associated with its business activities under Volkswagen Group insurances that are subject to standard exclusions, such as willful misconduct. Where the risks arising from legal disputes and investigations can be assessed, are transparent and economically reasonable, adequate insurance cover is taken out for these risks and appropriate provisions are recognized for the remaining identifiable risks.

However, as some risks cannot be identified or can only be assessed to a limited extent, there is a risk that losses or damages occur which are not covered by insurance and/or provisions. In addition, there are risks left intentionally uninsured based on VWLGMBH's cost-benefit-analysis and VWLGMBH therefore has no insurance against these events. As a result, if VWLGMBH sustains damages for which there is no or insufficient insurance coverage or encounters restrictions on insurance coverage, the above-described risks may have a material adverse effect on VWLGMBH's general business activities, net assets, financial position and results of operations.

**Tax laws and their interpretation may adversely affect VWLGMBH's financial condition and results of operations.**

VWLGMBH is subject to tax legislation in a number of countries. Although the tax department, supported by local advisors, monitors the international tax situation, there are latent tax risks due to possible modifications or general changes to the tax regime, tax law, accounting principles or other laws of jurisdictions (including, but not limited to, changes in applicable tax rates and requirements relating to withholding taxes on remittances and other payments by subsidiaries, associates and joint ventures) by the competent authorities in those countries. Modifications or changes could occur during the lifetime of the assets and liabilities of VWLGMBH and may have a material adverse effect on its business, net assets, financial condition and results of operations.

Moreover, VWLGMBH is exposed to tax risks, which could arise in particular as a result of tax audits or as a result of past measures. Ongoing or future tax audits may lead to demands for back taxes, tax penalties and/or similar payments. Such payments may arise, for example, from the full or partial non-recognition of intra-group transfer prices. In countries where there are no limitation periods for tax payments, VWLGMBH may also face demands for back taxes relating to earlier periods. Taking this under consideration VWLGMBH's provisions for tax risks may be insufficient to cover possible settlement amounts. The occurrence of these risks could have a material adverse effect on VWLGMBH's net assets, financial position and results of operations.

**VWLGMBH could be adversely affected by an event or several successive events that might cause reputational damage.**

Various issues may give rise to reputational risk and cause harm to VWLGMBH. Reputational risk denotes the danger that an event or several successive events might cause reputational damage (public opinion), which might limit VWLGMBH's current and future business opportunities and activities (potential success) and thus lead to indirect financial losses (customer base, sales, equity, refinancing costs, etc.) or direct financial losses (penalties, litigation costs, etc.). Damage to VWLGMBH's reputation or image could result in a direct effect on the financial success.

The issues that could give rise to reputational risk include product recalls, reputation loss for the Volkswagen Group in general, legal and regulatory requirements, antitrust and competition law issues, ethical issues, environmental issues, money laundering and anti-bribery laws, data protection laws, information security policies, or problems with services provided by VWLGMBH or by third parties on its behalf. Failure to address these issues appropriately could also give rise to additional legal risk, which could adversely affect existing litigation claims against VWLGMBH and the amount of damages asserted against VWLGMBH or subject it to additional litigation claims or regulatory sanctions. Any of the above factors could have a material adverse effect on the brand, reputation, business, financial condition and results of operations of VWLGMBH.

As VWLGMBH operates in different countries, different cultures and jurisdictions, VWLGMBH may respond differently to the same issues they face and the way in which they choose to address them. Therefore, there can be no assurance that certain issues which may be positively received in certain jurisdictions would be poorly received in other jurisdictions and VWLGMBH may suffer reputational loss as a result of such decisions, which could adversely affect its business, financial condition and results of operations.

**VWLGMBH could face risks resulting from its supply of collateral for potential intergroup refinancing provided by Volkswagen Bank.**

VWLGMBH is authorized to provide substantial collateral in order to secure intercompany loans from Volkswagen Bank to VWLGMBH and other subsidiaries of VWFSAG Group. If VWLGMBH uses its authorization to provide

collateral and Volkswagen Bank enters into default or encounters difficulties, VWLGMBH could face the risk of recourse to its provided collaterals. This could materially adversely effect on VWLGMBH's business, financial condition and results of operations.

**In the course of the implemented reorganisation project, a separation of the credit and deposit taking business from the Non-credit business within the European Economic Area has been carried out. Arising from this separation, VWLGMBH could be affected by various risks such as operational risks, legal risks or regulatory risks.**

The VWFSAG Group has implemented a material reorganisation project. Its main purpose is to reduce organisational and regulatory complexity by separating the credit and deposit taking business within the European Economic Area (EEA) from the Non-credit business. This was done by transferring almost all credit and deposit taking business performed in the EEA to Volkswagen Bank GmbH or its subsidiaries and spinning off Volkswagen Bank Group to VW AG. In this context, several entities and portfolios of VWFSAG including the risks inherent have to be transferred to Volkswagen Bank Group. Therefore Volkswagen Bank Group operations are reorganised accordingly. Furthermore it is planned to transfer the leasing business of the branch in Italy to a fully owned company of VWFSAG.

While such reorganisation does not increase the risk implied in the business model of VWLGMBH in total, risks may be caused by decisions made or the implementation of such decisions in the course of the reorganisation.

Reorganisation is accompanied by 'planning risks'. Thus, it is unknown whether the expectations and objectives that are associated with the reorganisation can actually be achieved. Various risks such as the following could arise.

For the reorganisation, new job profiles have to be developed, new responsibilities have to be clarified, areas of responsibility have to be handed over and employees have to be trained. In this process, dyssynergies could arise from the distribution of personnel, since employees' know-how cannot be transferred quickly and in full. Also, reorganisation could entail a high burden on the affected employees, as they have to adapt to the new organisation and possibly new processes under time pressure. The conducted transfers of employees to other entities could also lead to employee insecurity and might affect work quality. In sum, these developments may have a negative impact on net assets, financial positions and results of operations of VWLGMBH.

Furthermore, reorganisation may entail major challenges for IT. New authorisation concepts must be developed and implemented. In doing so, a strict roll separation of access options must be ensured and new persons responsible for approvals and roll construction have to be named. An increased test effort, which binds employee capacities and a weaker performance of the systems to be revised, can be the consequence with negative impact on the work ability of VWLGMBH.

A further risk could be caused by a change in customer behavior arising from the reorganisation. Investors and customers are possibly considering the new company structure critically and might not be willing to maintain the current level of business with VWLGMBH. There is a risk that the reorganisation might disturb normal business activities at short notice caused by potential difficulties with the operational implementation of new processes during the acclimatisation phase. It cannot be ruled out, that the transition will not work without any issues towards customers. This could have a material adverse effect on VWLGMBH business results.

In the course of its reorganisation or operating activities afterwards, VWLGMBH could become subject to legal disputes, governmental investigations or other official proceedings in Germany as well as abroad. Such proceedings may be initiated in particular, but not limited to, by relevant authorities, suppliers, employees, or investors and could relate to, inter alia, legal and regulatory requirements and information security policies. Furthermore, the project related transactions of companies may fail or cause financial damages due to, but not limited to rejection by regulators or claims from tax authorities.

After the reorganisation, VWLGMBH operations also face the risk that the relevant supervisory body may find it has failed to comply with applicable regulations and any such regulatory proceedings could result in adverse publicity for, or negative perceptions regarding such supervised entity, which could reflect on VWLGMBH. In addition, any significant regulatory action against a member of VWLGMBH could have a material adverse effect on its business results.

# Risk Factors regarding Volkswagen Financial Services N.V.

*The following is a disclosure of principal risk factors that may affect VWFSNV's ability to fulfil its obligations under the Notes.*

*Prospective investors should consider all information provided in this Prospectus and should take into account their current financial situation and their investment objectives before deciding whether to invest in the Notes. Prospective investors are also advised to consult their own tax advisers, legal advisers, accountants or other relevant advisers as to the risks associated with, and consequences of, the purchase, ownership and disposition of the Notes including the effect of any laws of each country in which they are resident.*

*In addition, prospective investors should be aware that the described risks may result in a significant decrease in the price of the Notes up to a total loss of interest and the invested capital.*

**Volkswagen Group is facing investigations and potential impacts out of discrepancies related to the diesel issue that have had and may continue to have a material adverse effect on the business, financial condition and operations of VWFSNV.**

**Risks resulting from the diesel issue**

The results of the ongoing and any future investigations, claims and public discussions may have a material adverse effect on Volkswagen Group's and VWFSNV's business, financial position, results of operations and reputation, the price of VWFSNV's securities and its ability to make payments under its securities.

VWFSNV's commercial success largely depends on the financial health and the reputation of the ultimate shareholder Volkswagen AG and due to the recent events, VWFSNV may not succeed in obtaining funds for financing requests in due time and to the extent necessary.

VWFSNV could become involved in legal or regulatory proceedings specifically in relation to the diesel issue indirectly in connection with potential claims against Volkswagen AG, other subsidiaries of the Volkswagen Group or dealers. Governmental authorities in various jurisdictions have also commenced investigations involving certain of VWFSAG's subsidiaries, the outcome of which is not yet certain. It cannot be excluded that governmental authorities start investigations against VWFSAG and/or its subsidiaries including VWFSNV.

Finally, the regulatory authorities could increase the regulatory pressure on VWFSAG Group as a direct consequence of the diesel issue. Such regulations (e.g. higher equity requirements, increased processing and documentation costs, or additional personnel) may result in higher costs for VWFSAG Group and might have an impact on VWFSNV as well.

The emission issue could result in negative effects on the reputation of the trademark VW and thus VWFSNV. Reputational damage (public opinion) and possible loss of customer confidence might limit VWFSNV's current and future business opportunities and activities in its business and could lead to indirect or direct financial losses.

Additionally, the diesel issue could impact or exacerbate other risks related to VWFSNV described in this Prospectus.

**Disruptions and declines in the global economy, geopolitical tensions and country specific challenges might have negative effects on the business of VWFSNV.**

As a globally active financial company, VWFSAG and VWFSNV as VWFSAG's subsidiary benefits from stable markets and a growing world economy. A weakening of the global economy may have a negative impact on VWFSAG Group's business.

Economic growth and developments in some industrialized countries and emerging markets have been endangered by volatility in the financial markets and structural deficits in recent years. In particular, high levels of public and private debt, movements in major currencies, volatile commodity prices as well as political and economic uncertainty negatively impacted consumption, damaging the macroeconomic environment.

Additional risks to the economic environment could arise from rising protectionist tendencies and the introduction of tariff and non-tariff barriers.

Stagnation or declines in countries and regions that are major economic centers have an immediate effect on the global economy and thus pose a key risk for VWFSNV's business.
Any signs of economic uncertainty in Europe, including a slowdown in economic growth, largescale government austerity measures or tax increases, could lead to significant long-term economic weakness. In addition, the decision by the United Kingdom in June 2016 to leave the European Union has had consequences for macroeconomic growth and outlook in Europe as well, affected exchange rates and could negatively impact , VWFSAG's business, financial position and results of operations and thus for VWFSNV.

The growth markets of Asia, South America, and Central and Eastern Europe are particularly important in terms of the global trend in demand for passenger cars and commercial vehicles and consequently for financing and leasing business. The potential economic slowdown of China, specifically, may pose subsequently a risk for the financial sector.

The economic performance of some emerging economies is being overshadowed primarily by over-indebtedness, reliance on capital inflows and social tensions. Moreover, corruption, inadequate government structures and a lack of legal certainty also pose risks. Declines in growth in those important markets may have an immediate impact on global economic conditions.

Geopolitical tensions, escalation of conflicts, armed conflicts, terrorist activities, natural catastrophes or the spread of infectious diseases are a further major risk to the performance of individual economies or regions. Economic weakness, structural deficits and geopolitical risk have had, and may continue to have, an adverse effect on the business, liquidity, financial condition and results of operations of VWFSAG Group and might have an impact on VWFSNV as well.

**The prospective withdrawal of the UK from the EU could adversely affect the economic conditions in UK, Europe and globally and in particular the British and European markets and thus may have a negative impact on the business, financial condition and results of operations of VWFSAG Group.**

A referendum on the United Kingdom's membership in the European Union was held on 23rd June 2016 and resulted in a vote in favor of the withdrawal of the United Kingdom from the European Union ("Brexit"). The UK will after the last extension of time in April 2019 remain a member state until it reaches an agreement in relation to withdrawal from the EU at latest until the 31 October 2019. If no agreement can be reached until then and if no further extension of time is negotiated then the United Kingdom will leave the EU without an agreement ("hard Brexit"). For VWFSAG Group, there is further the risk that the uncertainties arising from the ongoing Brexit activities may lead to lower vehicle sales due to consumer restraint or postponing purchasing decisions.

It is possible that it comes to a hard Brexit. This might adversely affect the economic conditions in UK, Europe and globally and in particular the British and European markets and, thus, may have a negative impact on the business, financial condition and results of operations of VWFSAG Group and VWFSNV as VWFSAG's subsidiary.

**VWFSNV is exposed to strategic risk that could arise from unfavorable decisions on business development, products, pricing, investments in infrastructure or personnel.**

VWFSNV's management makes strategic decisions that may have a significant impact on the company, general business activities, operations and financials. These decisions cover multiple topics ranging from the entry into (or exit from) particular businesses or investments into particular infrastructure (including IT infrastructure), risk management and hiring of key personnel. Strategic risk means a risk of a direct or indirect loss resulting from strategic decisions based onerrors or false assumptions. Strategic risk also implies failure to reach strategic objectives as well as the risks arising from integration / reorganisation of technical systems, personnel and corporate culture.

Should a strategic risk scenario materialize, it could endanger VWFSNV's existence or lead to lower profits and could have a material adverse effect on reputation, general business activities, operations and financials.

**Deviations between expected and realized profit and loss may lead to earnings risk for VWFSNV.**

Earnings risks denote the danger of deviations between planned and realized income statement earnings according to the management concept of VWFSNV. It is derived from any variance in the actual income (negative variance) and actual expenses (positive variance) in comparison with the budgeted figures. The risk is largely determined by the business strategy and internal business planning as well as by changes in general operating parameters (such as the level of sales in the Volkswagen Group, business volume, technical processes, competitive environment).

Should the risk materialize, reduced profits could have a material adverse effect on the business, financial condition and results of operations of VWFSNV.

**VWFSNV is exposed to the risk that its borrowers may default or that the credit quality of its borrowers or other contractual counterparties may deteriorate.**

The risk of counterparty default at VWFSNV is defined as the potential negative deviation of the actual counterparty risk outcome from the planned one. The deviation in outcome occurs when the actual loss exceeds the expected loss due to changes in credit ratings or credit losses. VWFSNV distinguishes between credit risk from intercompany loans, counterparty risk and country risk.

**Credit Risk from intercompany loans**

Credit risk from intercompany loans arises from loans of VWFSNV to companies that are part of Volkswagen Group. The risk represents the potential loss from the exposures including funding in case of failure of such companies, which arises when transactions with these companies were not reduced or stopped before default. Should this risk materialize, this could have a material adverse effect on VWFSNV's financial position.

**Counterparty Risk**

Counterparty risk arises primarily from interbank overnight and term deposits or the entering into derivative transactions with financial institutions (e.g. to manage interest rate risk and foreign currency exposure). If counterparty risks materialize, either by way of default or deterioration in the credit standing of VWFSNV's contractual counterparties this could have a material adverse effect on VWFSNV's net assets, financial position and results of operations.

**Country Risk**

Country risk comprises risks in international commerce, which arise not from the contracting partner itself but due to its location abroad. Political or economic developments as well as difficulties in the overall financial system in a particular country may impact cross-border capital services such as transfer restrictions induced by official measures in a foreign country such as capital controls.

The country risk is analyzed and taken into account by VWFSNV, particularly with regard to lending to customers.

**VWFSNV is exposed to operational risks, such as process risks, personnel risks, technology risks and external risks that could have negative effects on its business.**

Operational risk at VWFSNV is defined as the threat of losses that arise from the inappropriateness or failure of internal processes (process risks), people (personnel risks), systems (technology risks) or external factors (external risks, e.g. terror attacks). This definition includes legal risks as well as project related risks.

VWFSNV relies on internal and external information and technological systems to manage its operations and is exposed to risk of loss resulting from breaches of security or laws, system or control failures, inadequate or failed processes, human error, business interruptions and external events etc. Any of these events could have a material adverse effect on business operations, increase the risk of loss resulting from disruptions of normal operating procedures, cause considerable information retrieval and verification costs, and potentially results in financial losses or other damage to, including damage to VWFSNV's reputation. Operational risks are increasingly important due to the rising complexity of the financial services industry, the growing speed of innovation as well as the increased use of new technology in the financial services business.

**Process Risks**

The efficient, day-to-day performance of the business of VWFSNV relies heavily on a large number of internal processes (the so called process risk), for example on regulatory reporting processes and risk reporting processes. Any missing, outdated or defective processes as well as critical flaws in processes or failure by VWFSNV's employees to properly follow any critical processes can expose VWFSNV to significant risks and could have a material adverse effect on the business, financial condition and results of operations of VWFSNV.

**Personnel Risks**

The individual skills and technical expertise of VWFSNV's employees are a major factor contributing to VWFSNV's success. Unintended errors, unauthorised actions or wrong decisions as well as any failure to attract a sufficient number of new employees and to retain qualified employees may lead to significant competitive disadvantages. Because of demographic developments VWFSNV has to cope with changes relating to an aging workforce and has to secure a sufficient number of qualified young persons with the potential to become the next generation of highly skilled specialists and executives.

Competition for qualified personnel is increasing and if VWFSNV fails to retain qualified personnel to the necessary extent, or if it fails to add additional qualified personnel or to continue to train existing personnel, VWFSNV may not reach its strategic and economic objectives.

In addition, unintended errors, unauthorized actions or wrong decisions may lead to significant competitive disadvantages.

**Technology Risks**

A functioning and secure IT is essential for the ongoing business and thus for the success of VWFSNV. IT risks include among others unauthorized access to sensitive data and information as well as limited system availability due to downtime or natural disasters. Any disruption of business operations, due to unavailability, incompleteness

or incorrectness of data, could have a material adverse effect on the ability of VWFSNV to satisfy customers and can result in damage to VWFSNV's reputation and/or in financial losses.

VWFSNV addresses the risk of unauthorized access to corporate data by using firewall and intrusion prevention systems and a dual authentication procedure. VWFSNV achieves additional protection by restricting the allocation of access rights to systems and information and by keeping backup copies of critical data resources. For this, VWFSNV uses technical resources that have been tried and tested in the market, adhering to standards applicable throughout VW Group. By implementing redundant IT infrastructures, VWFSNV protects itself against risks that occur in the event of a systems failure or natural disaster.

VWFSNV continuously takes measures against identified and anticipated risks during the software development process, when protecting the IT infrastructure and also in the allocation of access rights to systems and data resources. Rapid technological advancement however, creates a residual risk in relation to IT security that cannot be managed completely.

**External Risks**

The occurrence of catastrophic or unforeseen events (so called external risks), including natural disasters, terrorist attacks, the emergence of a pandemic, strike, fire or other widespread emergency could create economic and financial disruptions, lead to operational difficulties (including travel limitations or relocation of affected employees) that could have an adverse effect on VWFSNV's financial condition and results of operations.

**Dependency on service providers and on contracted services that may be rendered incompletely or not at all could have negative effects on the business operations of VWFSNV.**

As part of its operative activities, VWFSNV uses the support of external service providers. Generally, the selection and cooperation with external service providers is regulated by instructions and processes of VWFSNV. In connection with external service providers, there are risks that cannot be excluded despite minimizing risk targets and instruments.

VWFSNV faces the risk that the contracted services are not rendered in full or not at all. This could cause an increased financial burden to purchase the services in the required scope, time and quality. In exceptional cases, an external service provider could terminate business operations abruptly or with a short lead time, for example due to insolvency or disaster scenarios. Finally, the aforementioned risks could result in VWFSNV providing services to its stakeholders with delay, in lower quality or not at all. These risks may financially affect VWFSNV.

**VWFSNV is exposed to litigation risk that may result from legal disputes, governmental investigations or other official proceedings with various stakeholders.**

In the course of its operating activities, VWFSNV could become subject to legal disputes, governmental investigations or other official proceedings in The Netherlands as well as abroad. In particular, but not limited to the following scenarios, such proceedings may be initiated by relevant authorities, suppliers, business relations or investors and could relate to, inter alia, legal and regulatory requirements, competition issues, ethical issues, money laundering laws, data protection laws non-compliance with civil law and information security policies. For the companies involved, these proceedings may result in payments, regulatory sanctions or other obligations. Complaints brought by investors or other third parties may also result in significant costs, risks or damages for VWFSAG Group and thus VWFSNV. There may be investigations by governmental authorities into circumstances of which VWFSNV is currently not aware, or which have already arisen or will arise in the future, including in relation to alleged violations of supervisory law, competition law or criminal law.

Litigation is inherently uncertain and VWFSNV could experience significant adverse results regardless of the merits of any alleged claims or outcomes of proceedings in which it is directly or indirectly involved. In addition, adverse publicity relating to allegations involving VWFSNV, VWFSAG Group or the Volkswagen Group may cause significant reputational harm that could have a material adverse effect on VWFSNV.

Any of the foregoing could have a material adverse effect on VWFSNV's business, financial position, results of operations and its reputation.

**Local regulations and measures could affect business profitability and result of operations of VWFSNV.**

As a response to the crisis in the financial markets most jurisdictions have imposed increased regulations and implemented measures to prevent future financial crisis or diminish their effects. Although VWFSNV is no longer under group supervision by the European Central Bank (ECB), implemented or planned regulations and measures may lead to additional costs, materially affecting business, results of operations and profitability of VWFSNV, as VWFSNV is subject to local supervision. To prevent future financial crisis, legislators may decide on additional charges and taxes, for example the introduction of taxes on financial market transactions. Any such new rules may have a negative impact on the net assets, financial position and result of operations of VWFSNV.

In addition, any significant regulatory action against a member of VWFSAG Group could have a material adverse effect on VWFSNV's business results.

**VWFSNV has to comply with comprehensive and constantly changing government regulations which bears the risk that laws are not being adhered to properly or efficiently.**

Compliance with law is a basic precondition for the success of VWFSNV. The growing international scale of VWFSNV's business operations as well as the increasing number and complexity of legal regulations increase the risk that legal requirements are violated, either because they are not known or because they are not fully understood. VWFSNV has established a compliance management system to make sure that all representatives, managers and employees act within the legal requirements in each jurisdiction in which VWFSNV operates. However, there remains a risk that representatives, managers or employees do not act in compliance with applicable laws. A violation of applicable law could lead to the imposition of penalties, liabilities, additional compliance costs, restrictions on or revocations of VWFSNV's permits and licenses, restrictions on or prohibitions of business operations and other adverse consequences.

VWFSNV believes that it maintains all material licenses and permits required for the current operations and that it is in substantial compliance with all applicable regulations. However, there can be no assurance, that VWFSNV will be able to maintain all required licenses and permits, and the failure to satisfy those and other regulatory requirements could have a material adverse effect on its operations. Further, the adoption of additional, or the revision of existing, rules and regulations could have a material adverse effect on VWFSNV's business. Costs of compliance with applicable laws are considerable and such costs are likely to increase

**The compliance and risk management systems of VWFSNV may prove to be inadequate to prevent and discover breaches of laws, regulations and internal standards or might not be able to identify measure and take appropriate countermeasures against all relevant risks.**

In connection with its worldwide business operations, VWFSNV must comply with a range of legislative and regulatory requirements in a number of countries. VWFSNV has a compliance and risk management system that supports VWFSNV's operational business processes, helps to ensure compliance with legislative and regulatory provisions and, where necessary, initiates appropriate countermeasures.

In addition to compliance with law, integrity is a significant element of VWFSNV corporate culture and is one basic success factor of VWFSNV.

VWFSNV has set up measures and activities to make sure that all representatives, managers and employees act integer and in line with VWFSNV Code of Conduct and its internal regulations and standards. The implemented anonymous whistleblower system shall ensure that violations of the law, the Code of Conduct or internal regulations are reported and investigated.

However, there remains a risk that members of VWFSNV's governing bodies, employees or authorized representatives may violate applicable laws, regulatory requirements, internal standards and procedures. VWFSNV may not be able to identify such violations, evaluate them correctly or take appropriate countermeasures. Furthermore, VWFSNV's compliance and risk management systems may not be appropriate to its size, complexity and geographical diversification and may fail for various reasons. In addition, on the basis of experience, VWFSNV cannot rule out that, for example in contract negotiations connected with business initiation, members of VWFSNV's governing bodies, employees, or authorized representatives have accepted, granted or promised advantages for themselves. VWFSNV's compliance and risk management system may not be sufficient to prevent such actions.

The occurrence of these risks may result in a reputational loss and various adverse legal consequences, such as the imposition of fines and penalties.

If any of these risks were to materialize, this could have a material adverse effect on VWFSNV's business, net assets, financial condition and results of operations.

**VWFSNV is exposed to various market risks, which consist of interest rate risk and foreign currency risk.**

In the course of VWFSNV's regular business activities, financial risks may arise from changes in interest rates and exchange rates.

VWFSNV is particularly exposed to major market price risks and potential losses resulting from disadvantageous changes in market prices that trigger a change in the value of open interest rate or currency positions.

**Interest Rate Risk**

Interest rate risk includes potential losses from changes in market rates. These risks result from refinancing at non-matching interest periods and from different degrees of interest rate elasticity of individual assets and liabilities. The consequences of unforeseen interest rate changes mainly comprise interest rate losses due to the potential carrying of primarily long-term fixed interest rates on the asset side and short-term interest rates on the liability side.

**Foreign Currency Risk**

Currency risks arise in connection with deviations from numerical inconsistencies between foreign currency items shown in assets and in liabilities. In individual cases, open currency items are conceivable. The functional currency and reporting currency of VWFSNV is the Euro. However, because VWFSNV operates in many countries outside the Eurozone, it has substantial assets, liabilities, revenues and costs denominated in currencies other than the Euro. This leads to an exposure to exchange rate volatility as a result of potential mismatches between the currencies in which assets and liabilities are denominated and as a result of the exchange rate and/or evaluation effect on reported earnings, equity and other financial parameters. If foreign currency risks would materialize, substantial losses in all positions affected by foreign currencies could occur.

VWFSNV's hedge-accounting strategy towards interest rate and foreign currency risks may turn out to be ineffective in respect to IFRS accounting. This could lead to volatility in the P&L statements. VWFSNV hedges interest rate risks, where appropriate in combination with currency risks, and risks arising from fluctuations in the value of financial instruments by means of interest rate swaps, cross-currency interest rate swaps and other interest rate contracts with matching amounts and maturity dates. This also applies to financing arrangements within the Volkswagen Group. In addition VWFSNV hedges certain foreign currency risks using hedging instruments, which include currency forwards and cross-currency swaps.

VWFSNV utilizes a range of instruments and strategies to hedge these risks. If these instruments and strategies prove to be partly or entirely ineffective, VWFSNV may sustain losses out of unhedged positions that were actually intended to have been hedged.

It cannot be ruled out that these risks are unsuccessfully, not adequately or not fully hedged and thus leave an exposure to fluctuations in prices which could have a significant adverse effect on the financial situation of VWFSNV.

**The business of VWFSNV requires substantial funding and liquidity and disruption in VWFSNV's funding sources or access to the capital markets could have a material adverse effect on its business, liquidity, cash flows, financial condition and results of operations.**

Liquidity risk refers to the risk that due payment obligations cannot be met in full or in a timely manner, or - in the case of a liquidity crisis - that refinancing instruments can only be obtained at higher market rates or not at all or assets can only be sold at a discount to market prices. Therefore, liquidity risk describes the risk that required funding cannot be obtained, or can only be obtained at higher costs.

VWFSNV's continued operations require access to significant amounts of funding. VWFSNV carries out refinancing separately from Volkswagen Group's liquidity holdings. Nevertheless, VWFSNV regularly receives substantial amounts of funding from Volkswagen Group. Furthermore, VWFSAG might provide substantial amounts of funding to VWFSNV. Therefore, VWFSNV is dependent on Volkswagen Group's and VWFSAG's liquidity situation.

Historically, VWFSNV has mainly satisfied its funding requirements through the issuance of short and long-term debt securities and bank loans. VWFSNV is therefore dependent on continued access to these funding sources. Due to its ongoing funding needs, VWFSNV is exposed to liquidity risk in the event of prolonged closure of debt or credit markets or limited credit availability. If VWFSNV cannot access existing or new sources of funds, insufficient liquidity would have a material adverse effect on its business, liquidity, cash flows, financial condition and results of operations.

There can be no assurance that VWFSNV's current financing arrangements will provide it with sufficient liquidity under various market and economic scenarios. A deterioration of the situation on the money and capital markets, a loss of reputation or a decrease in VWFSAG Group's or VWFSNV's creditworthiness could greatly undermine VWFSNV's ability to refinance itself. Even if its available funding arrangements provide VWFSNV with sufficient liquidity, its costs of funding could increase.

VWFSNV's liquidity and long-term viability depend on many factors including its ability to successfully raise capital and secure appropriate financing.

In addition, VWFSNV is indirectly affected by the policies of national governments and EU institutions, such as the European Central Bank, which influences and steers the money and credit supply in the Eurozone.

As VWFSNV is part of the group of consolidated companies of VWFSAG Group, which is supervised by the European Central Bank, VWFSNV in its consolidated context has to comply with all liquidity regulations that apply for this group.

**The credit ratings of Notes issued by VWFSNV are subject to changes of Volkswagen AG's or VWFSAG's credit ratings. Negative changes to Volkswagen AG's or VWFSAG's credit ratings could adversely affect the credit ratings of securities issued by VWFSNV and in turn VWFSNV's funding costs, financial condition and results of operation.**

VWFSAG is a wholly-owned subsidiary of Volkswagen AG. Due to the strong strategic and economic interlinkage between these two companies, the credit rating of VWFSAG remains strongly dependent on the economic development and on the credit rating of Volkswagen AG. The rating of notes issued by VWFSNV strongly depends on the credit rating of VWFSAG as guarantor of these notes.

VWFSNV's refinancing opportunities may be adversely affected by a rating downgrade or a rating withdrawal of any of VWFSAG's credit ratings, which includes transaction ratings. For example, if VWFSAG's credit ratings worsen, the demand from money and capital market participants for securities issued by VWFSNV and thus the access to these funding sources may reduce. Additionally, a rating downgrade could adversely impact the credit spread VWFSNV has to pay, with regard to all funding instruments used. Consequently, negative changes to VWFSAG's ratings could cause adverse impacts on the financial condition, liquidity, cash flows and result of operations.

Furthermore, a credit rating may not correctly reflect the potential impact of solvency risks of VWFSAG as guarantor or VWFSNV as issuer of the notes. The rating agencies that currently, or in the future, assign a rating to bonds issued by VWFSNV may change their assessment criteria. This could result in a rating action, which is based on such criteria change, but need not necessarily be related to a deterioration or improvement of the solvency of VWFSAG or VWFSNV.

**Tax laws and their interpretation in the Netherlands and in countries in which counterparties are located with which VWFSNV has business relationships may adversely affect VWFSNV's financial condition and result of operations.**

VWFSNV is subject to tax legislation in a number of countries. Modifications to the tax regime (including, but not limited to, changes in applicable tax rates and requirements relating to withholding taxes on remittances and other payments by subsidiaries, associates and joint ventures) by the competent authorities in those countries may have a significant effect on VWFSNV's financial condition and results of operations.

Any changes in the tax or other laws of the Netherlands and of jurisdictions in which counterparties are located with which VWFSNV has business relationships (including, but not limited to, changes in applicable tax rates) could have a material adverse effect on VWFSNV's financial condition and result of operations.

Moreover, VWFSNV is exposed to tax risks, which could arise in particular as a result of tax audits or as a result of past measures. Ongoing or future tax audits may lead to demands for back taxes, tax penalties and / or similar payments. Such payments may arise, for example, from the full or partial non-recognition of intra-group transfer prices. In countries where there are no limitation periods for tax payments, VWFSNV may also face demands for back taxes relating to earlier periods. Taking this under consideration VWFSNV's provisions for tax risks may be insufficient to cover possible settlement amounts. The occurrence of these risks could have a material adverse effect on VWFSNV's net assets, financial position and results of operations.

On 10 October 2017, the new Dutch government released its coalition agreement (*Regeerakkoord*) 2017-2021, which includes certain policy intentions for tax reform. Two policy intentions in particular may become relevant in the context of the Dutch tax treatment of VWFSNV and/or (payments under) the Notes.

The first policy intention relates to the introduction of a "thin capitalization rule" that would limit the deduction of interest on debt exceeding 92% of the commercial balance sheet total. Although the heading in the coalition agreement suggests that this thin capitalization rule will apply solely to banks and insurers, it cannot be ruled out that it will have a generic application and, as such, it could potentially be applicable to other taxpayers (including VWFSNV).

The second policy intention relates to the introduction of an "interest withholding tax" on interest paid to creditors in countries with very low taxes (low tax jurisdictions). Although the coalition agreement suggests that this interest withholding tax is intended to combat "letterbox" structures in the Netherlands, it cannot be ruled out that it will have a wider application and, as such, it could potentially be applicable to payments under the Notes.

Many aspects of these policy intentions remain unclear. However, if the policy intentions are implemented they may have an adverse effect on the Issuer and its financial position and may give rise to a Tax Deductibility Event or a Gross-up Event.

**VWFSNV could be adversely affected by an event or several successive events that might cause reputational damage.**

Various issues may give rise to reputational risk and cause harm to VWFSNV. Reputational risk denotes the danger that an event or several successive events might cause reputational damage (public opinion), which might limit VWFSNV's current and future business opportunities and activities (potential success) and thus leads to indirect financial losses (equity, refinancing costs etc.) or direct financial losses (penalties, litigation costs etc.). Damage to VWFSNV's reputation or image could result in a direct effect on the financial success of VWFSNV.

The issues that could give rise to reputational risk include reputation loss for the Volkswagen Group in general, legal and regulatory requirements, antitrust and competition law issues, ethical issues, money laundering and anti-bribery laws, data protection laws, information security policies, problems with services provided by VWFSNV or by third parties on their behalf. Failure to address these issues appropriately could also give rise to additional legal risk, which could adversely affect existing litigation claims against VWFSNV or its subsidiaries and the amount of damages asserted against VWFSNV or subject VWFSNV to additional litigation claims or regulatory sanctions. Any of the above factors could have a material adverse effect on the brand, reputation, business, financial condition and results of operations of VWFSNV.

## Risk Factors regarding Volkswagen Financial Services Japan Ltd.

*The following is a disclosure of principal risk factors that may affect VWFSJ's ability to fulfil its obligations under the Notes.*

*Prospective investors should consider all information provided in this Prospectus and should take into account their current financial situation and their investment objectives before deciding whether to invest in the Notes. Prospective investors are also advised to consult their own tax advisers, legal advisers, accountants or other relevant advisers as to the risks associated with, and consequences of, the purchase, ownership and disposition of the Notes including the effect of any laws of each country in which they are resident.*

*In addition, prospective investors should be aware that the described risks may result in a significant decrease in the price of the Notes up to a total loss of interest and the invested capital.*

**Volkswagen Group is facing investigations and potential impacts out of discrepancies related to the diesel issue that have had and may continue to have a material adverse effect on the business, financial condition and operations of VWFSJ.**

**Risks resulting from the diesel issue**

The results of the ongoing and any future investigations and claims and public discussions may have a material adverse effect on Volkswagen Group's and VWFSJ's business, financial position, results of operations and reputation, the price of VWFSJ's securities and its ability to make payments under its securities. If Volkswagen Group's and VWFSJ's efforts to address, manage and remediate the issues described above are not successful, their business could suffer irreparable harm. Additionally, the diesel issue could impact or exacerbate other risks related to VWFSJ described in this Prospectus.

Various repercussions could result for VWFSJ from the diesel issue. The uncertainty resulting from this issue such as how end customers and dealers will behave in the future or how regulatory authorities and courts will ultimately rule, make certain scenarios conceivable that could negatively impact the asset, financial and operations situation of VWFSJ.

It is generally the case that VWFSJ as sales promoter and provider of purchasing finance for Volkswagen Group, is directly affected by decreased vehicle sales. Fewer deliveries to customers mean fewer opportunities to market a financial product from VWFSJ during the sale. Consequently, reduced business levels achieved by Volkswagen Group are likely to lead to less new business at VWFSJ, which could be negatively reflected in the results of operations.

The diesel issue could result in negative effects on the reputation of the trademark VW and thus VWFSJ. Reputational damage (public opinion) and possible loss of customer confidence might limit VWFSJ’s current and future business opportunities and activities in its business and could lead to indirect or direct financial losses.

The diesel issue or driving restrictions could have various effects on new business. The financing and leasing business for diesel vehicles could face a general market downturn due to purchasing restraint on the part of the end customer. Such a market downturn could manifest itself, inter alia, in declining sales and falling prices for both new and used vehicles. Decreasing sales or prices would ultimately be reflected in lower income potential for VWFSJ.

Falling new and used car prices would affect VWFSJ at various stages. So as to be able to successfully place products with balloon rate and return option in the market, this could, on the one hand, mean pressure on margins. On the other hand, the residual value risk from returned vehicles could increase since the residual values calculated may not correspond with the current residual value assumptions for the end of the contract. As a result, VWFSJ would have to maintain higher value adjustments or record direct partial write-offs against income on its portfolio.

Another possible outcome could be that dealers run into financial difficulties. Owing to lower sales of new and used vehicles, or sales carried out with low or (in extreme cases) no margin, due to a buying restraint of customers caused by the uncertainties surrounding the diesel issues, dealers may not be able to generate sufficient cash flows to meet their financial liabilities. The off-the-road time and the portfolio of vehicles in stock could increase and the dealers would therefore no longer be able to buy new models to resell to consumers, which would generate further pressure on the financial position of the dealers. As a result, dealer loyalty could decline and they may utilize financial products from other financial service providers or, at worst, completely refrain from doing business with VWFSJ. Any deterioration in the creditworthiness of dealers and any loss of sales partners would have a negative impact on the profitability and financial position of VWFSJ.

The enforcement of intensified or time-consuming control procedures for the launch of new vehicles could also have a negative impact on VWFSJ. A tightening of control procedures could, for example, require the subsequent

installation of additional diesel features in the Volkswagen Group vehicles. Both the cost of installation of additional components and delayed regulatory approval for the market launch of any particular vehicle would have a negative impact on sales figures, and therefore on revenues.

The Volkswagen Group may also have to implement austerity programs as a result of the diesel issue, for example by reducing or canceling its sales support for, or promotion of, financial services products. Therefore, VWFSJ might be required to implement interest rate and concomitant price increases or, alternatively, may have to bear the costs of the sales incentives. New business and/or profitability may decline as a result.

Refinancing costs also have a significant impact on the business of VWFSJ. The risk is that refinancing costs will rise as a result of the diesel issue – for example due to downgrades by the rating agencies, investor caution as a result of Volkswagen Group uncertainty, or through limited access to the money and capital market if funding sources are not available to the full extent. Moreover, the diesel issue could lead to an early redemption of asset-backed securities with respect to which Volkswagen Group vehicles with diesel engines serve as collateral.

VWFSJ could become involved in legal or regulatory proceedings specifically in relation to the diesel issue indirectly in connection with potential claims against Volkswagen AG, other subsidiaries of the Volkswagen Group or dealers. Governmental authorities in various jurisdictions have also commenced investigations involving certain of VWFSAG's subsidiaries, the outcome of which is not yet certain. It cannot be excluded that governmental authorities start investigations against VWFSAG and/or its subsidiaries including VWFSJ.

Finally, the regulatory authorities could increase the regulatory pressure on VWFSAG Group as a direct consequence of the diesel issue. Such regulations (e.g. higher equity requirements, increased processing and documentation costs, or additional personnel) may result in higher costs for VWFSAG Group and might have an impact on VWFSJ as well.

**Demand for VWFSJ´s products and services depend upon the overall economic situation, which in turn can be impacted by market volatility, macroeconomic trends, protectionist tendencies and other risks.**As a financial company active in Japan, VWFSJ benefits from stable markets and a growing Japanese economy. A weakening of the economy may have a negative impact on VWFSJ's business. Economic growth and developments in some industrialized countries and emerging markets have been endangered by volatility in the financial markets and structural deficits in recent years. In particular, high levels of public and private debt, movements in major currencies, volatile commodity prices as well as political and economic uncertainty negatively impacted consumption, damaging the macroeconomic environment. Stagnation or declines in countries and regions that are major economic centers have an immediate effect on the global economy and thus pose a key risk for VWFSJ's business.Any signs of economic uncertainty in Japan, including a slowdown in economic growth, largescale government austerity measures or tax increases, could lead to significant long-term economic weakness.

**VWFSJ, as a captive finance company, is by nature dependent on sales by Volkswagen Group, meaning any risk that is negatively influencing the vehicle delivery of Volkswagen Group may have adverse effects on the business of VWFSJ.**

VWFSJ, as a captive finance company, has a limited business model, namely the sales support of products of the Volkswagen Group. Thus, the financial success of VWFSJ depends largely on the success of the Volkswagen Group. The development of vehicle deliveries to customers of Volkswagen Group is crucial and material to the generation of new contracts for VWFSJ. As long as the Volkswagen Group is able to satisfy customer needs and to comply with market standards/ requirements with its products and thus maintain or grow its deliveries to customers, VWFSJ will benefit as well. However due to this dependency, fewer vehicle deliveries would also result in reduced business for VWFSJ.

The reason for fewer vehicle sales can be diverse, including but not limited to the following:

if economic growth does not materialize to the extent expected or if economic conditions weaken in Japanese market, the Volkswagen Group may sell fewer products in such market or obtain lower than expected prices. Additionally, a lack of economic growth could lead to a decrease of deliveries to customers caused by intensified price competition among automotive manufacturers. As a rule, a weakening economy is accompanied by lower disposable income from both existing and potential new customers. A decrease in customers' disposable income or their financial condition will generally have a negative impact on vehicle sales.

Moreover, further legal investigations might be launched in the future and existing investigations could be expanded. This may result in further legal actions being taken against Volkswagen Group and could have a negative influence on customer behavior and the business of VWFSJ.

Finally, if regulatory/ political decisions (e.g. sales stops, driving bans, WLTP) or technological developments (e.g. e-mobility) may influence customer demand, the sales of Volkswagen Group could be negatively influenced

resulting in less business opportunities for VWFSJ.

Although VWFSJ operates different brands in Japan a simultaneous and exceptionally strong reduction of vehicle deliveries might result in negative volume and financial performance for VWFSJ.

**VWFSJ is exposed to strategic risks that could arise from unfavorable decisions on business development, products, pricing, investments in infrastructure or personnel.**

VWFSJ's management is regularly required to make strategic decisions that may have a significant impact on VWFSJ, general business activities, operations and financial position. These decisions cover multiple topics ranging from entry into (or exit from) particular businesses or product lines, pricing of products, investments into particular marketing efforts or infrastructure (including IT infrastructure) to risk management and hiring of key personnel. Strategic risk means a risk of a direct or indirect loss resulting from strategic decisions based on errors or false assumptions. Strategic risk also implies failure to reach strategic objectives as well as the risks arising from integration/reorganisation of technical systems, personnel and corporate culture.

Should a strategic risk scenario materialize, it could endanger VWFSJ's existence or lead to lower profits and could have a material adverse effect on reputation, general business activities, operations, and financial position.

**Deviations between expected and realized profit and loss positions may lead to earnings risks for VWFSJ.**

Earnings risks denote the danger of deviations between planned and realized income statement earnings according to the management concept of VWFSJ. It is derived from any variance in the actual income (negative variance) and actual expenses (positive variance) in comparison with the budgeted figures.

The risk is largely determined by the business strategy and internal business planning as well as by changes in general operating parameters (such as the level of sales in the Volkswagen Group, business volume, technical processes, competitive environment).

Should the risk materialize, this could reduce profits and could therefore have a material adverse effect on the business, financial condition and results of operations of VWFSJ.

**A change in consumer preferences or additional governmental regulations may have an adverse effect on VWFSJ’s business activities.**

A change in consumer preferences or governmental regulations away from transport by automobile, as well as a trend towards smaller vehicles or vehicles equipped with smaller engines, alternative drivetrains or other technical enhancements could have a material adverse effect on VWFSJ’s general business activities.

Private and commercial users are increasingly open to using modes of transportation other than the automobile, especially in connection with growing urbanization. The reasons for this could include rising costs associated with owning a vehicle, increasing traffic density in major cities and environmental awareness. Environmental concerns in particular are prompting calls for increasing traffic or vehicle restrictions, such as the diesel vehicle bans being contemplated or gradually implemented across various cities or regions, or quotas being set for electric vehicles.

**Wrong product decisions linked to regulatory or competitive criteria could lead to lower product profitability due to missed customer needs, reputational damage or fines and finally may have negative effects on the overall business of VWFSJ.**

The primary objective of VWFSJ is to promote the sales of the vehicles Volkswagen Group produces and to strengthen customer loyalty to Volkswagen Group's brands. In order to fulfill this role VWFSJ has to offer products that on the one hand meet customer demands and on the other hand generate profits. Hence the decision-making process whether or not a product is introduced, is important for the success of VWFSJ. Every product decision is subject to various risks and if risks are not properly taken into account as part of the product decision, this may generate losses in sales results and damage VWFSJ and/or the Volkswagen Group's image.

Products have to comply with regulatory requirements. VWFSJ operates in a highly regulated environment. A wrong product decision or erroneous product design, which violates legal or regulatory rules, could result in regulators mistrusting the Volkswagen Group and to significant fines and reputational damage.

Furthermore, wrong advertising without the disclosure of a material condition or deceptive statements could also affect customer loyalty and sales results.

The ability to offer financial services products that meet customer demands is the main critical success factor to reach VWFSJ targets. If VWFSJ is unable to adapt its product offerings to meet customer demands or if VWFSJ misjudges the competitive environment, this could lead to significant sales risk with a material effect on VWFSJ's business and financial results. Moreover, unattractive products from VWFSJ could not only affect its own sales volume but also the sales volume of Volkswagen Group, because potential customers with financing and leasing needs may view competitors' financing offers as more favorable and thus purchase products of competitors.

During the start-up phase of new products, the cannibalization effects (decrease in new contracts of a product due to the introduction of another product in the same product line) has to be taken into account by calculating the effects of the product introduction on the existing product portfolio. If VWFSJ does not consider this cannibalization effects in the development of new products or makes unrealistic assumptions, this could have negative impact on the financial result.

**VWFSJ may not be able to keep pace with the process of digitalisation, which may have an adverse effect on the business, financial condition and results of operations of VWFSJ.**

VWFSJ is facing risks from new players entering the industry and new technologies changing the generation and delivery of products and services. Digitalisation will have a significant and far-reaching impact for the financial services sector.

Due to the rapidly changing environment in the digital world, the current sales and services processes will change and new - unregulated -players will enter the financial services markets challenging established players and business models. This entails the risk that VWFSJ may not be able to respond in time to challenges posed by new players in the digital environment. This might have an adverse effect on customer relationships, as current and future customers could turn away from VWFSJ and purchase products from other suppliers.

The customer expects to have access to financial information independent of time and location and to purchase financial services products through a variety of sales channels. The greatest challenge for VWFSJ is to establish the relevant processes meeting the customer needs in time.

A further risk for VWFSJ is that it might provide insufficient information on its online platforms. A lack of transparency may have a negative impact on the reputation of VWFSJ.

VWFSJ takes on the challenges of digitalisation. Therefore a corresponding strategic area of activity, “ROUTE2025”, was integrated into the corporate strategy to identify and monitor future digital development within VWFSJ’s markets. Despite these efforts, it cannot be ruled out that competitors are faster or more innovative in implementing digital solutions, which could have a negative impact on the earnings situation of VWFSJ.

**VWFSJ is exposed to the risk that its customers or other contractual counterparties may default or that the credit quality of its customers or other contractual counterparties may deteriorate.**

The risk of counterparty default at VWFSJ is defined as the potential negative deviation of the actual counterparty risk outcome from the planned one. This includes the risk of default on lease payments as well as on repayment and interest payments of financing contracts. The deviation in outcome occurs when the actual loss exceeds the expected loss due to changes in credit ratings or credit losses.

**Credit Risk**

Credit risk concerns the risk of loss through defaults in the customer business, for example, due to non-payments by a borrower or lessee of its obligations. The default is contingent on the inability or unwillingness of the borrower or lessee to make payments. This includes scenarios where the contracting party makes payments late, only partially or not at all.

Credit risks, including risks of counterparty default relating to leasing contracts, represent the main component of VWFSJ’s risk. They result from financing and leasing business in the automobile business.

The quality of credit risk is influenced by, among other factors, customers’ financial strength, collateral quality, overall demand for vehicles and general macroeconomic conditions. In order to assess the level of credit risk for wholesale customers, VWFSJ uses rating systems on the basis of credit rating procedures provided by VWFSAG Group. These rating systems provide relevant departments with an objective basis to evaluate a potential loan. These assessments take into account both quantitative factors (mainly data from annual financial statements) and qualitative factors (such as the prospects for future business growth, quality of management and the respective customers’ payment records). Although VWFSJ regularly validates the parameters and models used by these systems, there can be no assurance that the calculated probabilities will accurately reflect future developments. If, for example, an economic downturn were to lead to increased inability or unwillingness of wholesale borrowers to repay their debts, increased write-downs and higher provisions would be required, which in turn could adversely affect VWFSJs results of operations.

The credit risk of retail customers is covered by guarantees, currently provided by the Service-Providers (Cedyna Financial Corporation and Jaccs Co., Ltd.). Scoring procedures for customers are integrated in their systems and advances are granted according to their credit underwriting criteria.

**Counterparty Risk**

Counterparty risk arises from the entering into derivative transactions with financial institutions (e.g. to manage interest rate risk) and may arise from guarantees towards credit risk of retail customers assumed by service providers.

If counterparty risks materialize, by way of defaults or deterioration in the credit standing of VWFSJ's contractual counterparties, this could have a material adverse effect on VWFSJ's net assets, financial position and results of operations. This includes scenarios where the contracting counterparties make payments late or not in full.

**A decrease in the residual values or the sales proceeds of returned vehicles could have a material adverse effect on the business, financial condition and results of operations of VWFSJ.**

A return option is provided by VWFSJ to customers under some loan contracts with a balloon rate. In this case VWFSJ bears the risk that the market value of vehicles sold at the end of the term may be lower than the contractual residual value at the time the contract was entered into (so-called residual value risk). VWFSJ takes such differences into account in establishing provisions for the existing portfolio and in its determination of the contractual residual values for new business.

The residual value risk could be influenced by many different external factors. A decline in the residual value of used cars could be caused by initiatives to promote sales of new vehicles, which was evident during the global financial and economic crisis when incentive programs were offered by governments and automobile manufacturers. All the aforementioned factors result in increasing provisioning for residual value risk. It cannot be ruled out that a similar scenario due to renewed deterioration of the macroeconomic environment could occur in the future.

Moreover an adverse change in consumer confidence and consumer preferences could lead to higher residual value risks for VWFSJ. Customers determine the demand and therefore the prices of used cars. If customers refrain from purchasing Volkswagen Group vehicles, for example due to such vehicles' perceived poor image or unappealing design, this could have a negative impact on residual values.

Furthermore, changes in economic conditions, government policies, exchange rates, marketing programs, the actual or perceived quality, safety or reliability of vehicles or fuel prices could also influence the residual value risk. A decline in the residual values of Volkswagen Group vehicles could materially adversely affect VWFSJ's net assets, financial position and results of operations.

Furthermore, the development of residual value risks could be influenced by the topic of e-mobility. On the one hand, rapid technical progress in the field of battery technology in favor of vehicle ranges could lead to increasing residual value risks in existing electric vehicle portfolios, as customer demand for outdated technologies is supposed to be falling, especially in the first few years. On the other hand, due to substitution effects, sales of electric cars as a result of changing customer behavior could have a negative impact on the residual values of conventional combustion based vehicles, as a result of decreasing customer demand. Finally, e-mobility developments and the impact on residual value risks are difficult to predict and could therefore materially adversely affect VWFSJ's net assets, financial position and results of operations.

Uncertainties may also exist with respect to the internal methods for calculating residual values, for example owing to assumptions that prove to have been incorrect. Although VWFSJ continuously monitors used car price trends and makes adjustments to its risk valuation, there is still the risk of using false assumptions to assess the residual value risk.

Estimates of provisions for residual value risks may be less than the amounts actually required to be paid due to misjudgments of initial residual value forecasts or changes in market or regulatory conditions. Such a potential shortfall may have a material adverse effect on VWFSJ's business activities, net assets, financial position and results of operations.

**VWFSJ is exposed to concentrations of risk, such as counterparties, collateral or income that are typical for a captive finance company.**

Risk concentrations can arise to various degrees due to VWFSJ's business model, which focuses on promoting sales of the various Volkswagen Group brands.

Concentrations of counterparties are currently insignificant for VWFSJ because a large part of the lending business deals with small (retail) loans. VWFSJ's business is concentrated in the Japanese market. Hence, the customer and asset class structure may change in the future and therefore concentrations of counterparties could arise.

Industry concentrations in the dealer business are inherent to a captive finance company.

Concentrations of collateral exist for VWFSJ, because vehicles are the predominant type of collateral. Risks from concentrations of collateral can arise if negative price movements in the overall used car markets or especially in Volkswagen Group's brands reduce proceeds from the disposal of collateral and, as a result, cause a decline in the value of collateral. Since VWFSJ promotes sales of various Volkswagen Group brands and their different vehicles the risk of synchronous price movements cannot be neglected completely.

A concentration of income arises due to VWFSJ's business model. The particular role as a sales promoter for the Volkswagen Group gives rise to dependencies that directly affect the development of income.

The occurrence of risk concentrations could adversely affect VWFSJ's net assets, financial position and results of operations.

**VWFSJ is exposed to operational risks, such as process risks, personnel risks, technology risks and external risks that could have negative effects on its business.**

Operational risk at VWFSJ is defined as the threat of losses that arise from the inappropriateness or failure of internal processes (process risks), people (personnel risks), systems (technology risks, e.g. IT risks) or external factors (external risks, e.g. terror attacks). This definition includes legal risks as well as project related risks.

VWFSJ relies on internal and external information and technological systems to manage its operations and as a result is subject to potential losses from breaches of security or laws, system or control failures, inadequate or failed processes, human error, business interruptions and external events etc. Any of these events could have a material adverse effect on business operations, increase the risk of loss resulting from disruptions of normal operating procedures, cause considerable information retrieval and verification costs, and potentially result in financial losses or other damage, including damage to VWFSJ's reputation.

Operational risks are increasingly important due to the rising complexity of the financial services industry, the growing speed of innovation as well as the increased use of new technology in the financial services business.

**Process Risks**

The efficient, day-to-day performance of the business of VWFSJ relies heavily on a large number of internal processes, for example on credit or leasing approval processes as well as regulatory reporting processes. Any missing, outdated or defective processes as well as critical flaws in processes or failure by VWFSJ's employees to properly follow process related instructions can expose VWFSJ to significant risks and could have a material adverse effect on its business, financial condition and results of operations.

**Personnel risks**

Risks relating to VWFSJ's employees are described as personnel risk. The individual skills and technical expertise of VWFSJ's employees are a major factor contributing to VWFSJ's success. If VWFSJ loses experienced employees due to turnover, targeted recruiting or retirements, this may lead to a significant drain on VWFSJ's know-how.

Because of demographic developments VWFSJ has to cope with changes relating to an aging workforce and has to secure a sufficient number of qualified young persons with the potential to become the next generation of highly skilled specialists and executives.

Competition for qualified personnel is increasing and if VWFSJ fails to retain qualified personnel to the necessary extent, or if it fails to add additional qualified personnel or to continue to train existing personnel, VWFSJ may not reach its strategic and economic objectives.

In addition, unintended errors, unauthorized actions or wrong decisions may lead to significant competitive disadvantages.

**Technology risks**

A functioning and secure IT is essential for the ongoing business and thus for the success of VWFSJ. In order to satisfy the requirements related to international financial services, VWFSJ operates comprehensive and complex IT systems. A group-wide harmonization of various IT systems and data centers of VWFSJ with those of third parties connected thereto constitutes a great challenge in regard to creating a uniform IT architecture.

In a centralized and standardized IT environment, there is a risk of excessive dependence on a single system or a single data center. In that case, a system failure could have serious consequences for VWFSJ. However, a lack of standardization in the data centers bears risks concerning the security and availability of IT systems, i.e. the operation ability in an emergency. Failure to create a uniform IT architecture across VWFSJ subjects it to risks inherent in a non-uniform IT system, such as compatibility issues for both hardware and software or the necessity to train personnel for different systems.

Additionally, numerous essential functional processes in the banking, insurance and leasing business depend on computer-controlled applications and cannot be carried out without properly functioning IT systems and IT infrastructure. Malfunctions or errors in internal or external IT systems and networks, including potential outside intrusions by hackers or computer viruses, software or hardware errors and violations of data integrity could have adverse effects on the operations of VWFSJ. Further risks such as modern industrial espionage and targeted attacks as well as the possibility of insider attacks challenge the availability, confidentiality, integrity, authenticity and traceability of systems and data at VWFSJ.

Furthermore, regular or event-driven updates are required for many of VWFSJ's IT systems in order to meet increasingly complex business and regulatory requirements. Some of the IT-systems used by VWFSJ are no longer supported by their vendors or updates are delivered incorrectly or with a delay respectively. IT system downtime, interruptions, functional deficits or security flaws may significantly adversely affect customer and business partner relationships, accounting and business processes and hence result in significant expenses for data restoration and verification. Among other things, IT incidents or malicious attacks on mobile online services directly affect customers and may attract negative media attention.

VWFSJ collects processes and uses confidential employee-, customer-, brand- and dealer data, for example in the areas of human resources or direct banking. In this regard, VWFSJ must comply with applicable data protection laws in order to prevent the abuse of personal or contractual data. Violations of such laws may damage VWFSJ's reputation, constitute administrative offenses or criminal acts and lead to damages claims and fines as well as business interruptions.

VWFSJ carries out several national and international, partially cross-company IT projects with the aim to further develop and extend the product range also under the use of new technologies. Insufficient project management can lead to delayed project realizations or reduced targets and revenues. In connection with external procurement of capacities, risk with a view to internal know-how can arise.

VWFSJ coverage may not be adequate to cover all the costs related to IT risks. Any failure to prevent such IT risks could subject VWFSJ to liability, decrease VWFSJ's profitability and damage its reputation.

**External Risks**

The occurrence of catastrophic or unforeseen events (so called external risks), including natural disasters, terrorist attacks, the emergence of a pandemic, strike, fire or other widespread emergency could create economic and financial disruptions, lead to operational difficulties (including travel limitations or relocation of affected employees) that could have an adverse effect on VWFSJ's financial condition and results of operations.

**Dependency on service providers and on contracted services that may be rendered incompletely or not at all could have negative effects on the business operations of VWFSJ.**

As part of its operative activities, VWFSJ uses the support of external service providers. Generally, the selection and cooperation with external service providers is regulated by instructions and processes of VWFSJ. In connection with external service providers, there are risks that cannot be excluded despite minimizing risk targets and instruments.

VWFSJ faces the risk that the contracted services are not rendered in full or not at all. This could cause an increased financial burden to purchase the services in the required scope, time and quality. In exceptional cases, an external service provider could terminate business operations abruptly or with a short lead time, for example due to insolvency or disaster scenarios. Finally, the aforementioned risks could result in VWFSJ providing services to its stakeholders with delay, in lower quality or not at all. These risks may financially affect VWFSJ.

**VWFSJ is exposed to litigation risks that may result from legal disputes, governmental investigations or other official proceedings with various stakeholders.**

In the course of its operating activities, VWFSJ could become subject to legal disputes, governmental investigations or other official proceedings in Japan as well as abroad. In particular, but not limited to the following scenarios, such proceedings may be initiated by relevant authorities, suppliers, dealers, customers, employees, or investors and could relate to, inter alia, legal and regulatory requirements, competition issues, ethical issues, money laundering laws, data protection laws, non-compliance with civil law and information security policies. For the companies involved, these proceedings may result in payments, regulatory sanctions or other obligations. Complaints brought by suppliers, dealers, investors or other third parties may also result in significant costs, risks or damages for VWFSJ. There may be investigations by governmental authorities into circumstances of which VWFSJ is currently not aware, or which have already arisen or will arise in the future, including in relation to alleged violations of supervisory law, competition law or criminal law.

As an automotive manufacturer-associated provider of financial services, VWFSJ enters into finance and lease contracts of Volkswagen Group vehicles with retail and corporate customers. As such, VWFSJ is dependent on

the sale and quality of Volkswagen Group vehicles. Any irregularities of these vehicles might affect VWFSJ's business, in particular the sale contracts of the manufacturer or dealer on the one hand and finance or lease contracts of the financial services provider on the other hand are considered to be linked with each other.

Litigation is inherently uncertain and VWFSJ could experience significant adverse results regardless of the merits of any alleged claims or outcomes of proceedings in which it is directly or indirectly involved. In addition, adverse publicity relating to allegations involving VWFSJ Group or the Volkswagen Group may cause significant reputational harm that could have a material adverse effect on VWFSJ.

Any of the foregoing could have a material adverse effect on VWFSJ's business, financial position, results of operations and its reputation.

**VWFSJ may not be able to use its trademarks/ intellectual property rights or to adequately protect its intellectual property and could be liable for infringement of third-party intellectual property.**

VWFSJ is using trademarks and other intellectual property rights owned by the Volkswagen Group, which are of essential importance to VWFSJ's business success. If such rights were challenged and Volkswagen Group manufacturer will not be able to secure such rights in the future, VWFSJ may not be allowed to use these trademarks or intellectual property rights, which might adversely affect its general business activities, net assets, financial position and results of operations.

VWFSJ owns a number of trademarks, patent applications and other intellectual property rights. Despite ownership of these rights, VWFSJ may not be able to enforce claims against third parties to the extent required or desired. VWFSJ‘s intellectual property rights may be challenged and VWFSJ may not be able to secure such rights in the future. Furthermore, third parties may violate VWFSJ's intellectual property rights and VWFSJ may not be able to prevent such violations for legal or factual reasons.

VWFSJ may also infringe patents, trademarks or other third-party rights or may not have validly acquired service inventions. Moreover, VWFSJ may not obtain all licenses necessary for carrying on its business successfully in the future. If VWFSJ is alleged or determined to have violated third-party intellectual property rights, it may have to pay damages or may be barred from marketing certain products. VWFSJ could also face costly litigation.

**Increased regulations and measures could affect business profitability and result of operations of VWFSJ.**

As a response to the global financial crisis, most jurisdictions have imposed increased regulations and implemented measures designed to prevent future financial crises or diminish their effects. Such implemented or planned regulations and measures may lead to additional costs, materially affecting the business, results of operations and profitability of VWFSJ. To prevent a future financial crisis, legislators may decide on additional charges and taxes, for example the introduction of taxes on financial market transactions. Any such new rules may have a negative impact on the net assets, financial position and result of operations of VWFSJ.

VWFSJ is subject to the Japanese regulation and supervision. These supervisory bodies have broad jurisdiction over many aspects of VWFSJ's operations, including marketing and selling practices, licensing and terms of business. Any changes in the regulatory framework and its applications, or any further implementation of new requirements for financial institutions and banks, may have a material effect on the business and operations of VWFSJ. Each of VWFSJ's operations also faces the risk that the relevant supervisory body may find it has failed to comply with applicable regulations and any such regulatory proceedings could result in adverse publicity for, or negative perceptions regarding, such supervised entity, which could reflect on VWFSJ. In addition, any significant regulatory action against a member of VWFSAG Group could have a material adverse effect on VWFSJ's business results.

Furthermore, VWFSJ must comply with consumer credit regulations adopted in Japan. The costs of complying with these laws and regulations, as well as with any additional regulation, could affect the conduct of VWFSJ's business and negatively affect its financial condition. Any violation of compliance with these laws could have a materially adverse effect on VWFSJ's business operations and financial condition.

**VWFSJ has to comply with comprehensive and constantly changing government regulations which bears the risk that laws are not being adhered to properly or efficiently.**

Compliance with law is a basic precondition for the success of VWFSJ. The growing scale of VWFSJ's business operations as well as the increasing number and complexity of legal regulations increase the risk that legal requirements are violated, either because they are not known or because they are not fully understood.

VWFSJ has established a compliance system to make sure that all representatives, managers and employees act within the legal requirements in Japan. However, there remains a risk that representatives, managers or employees do not act in compliance with applicable laws. A violation of applicable law could lead to the imposition

of penalties, liabilities, additional compliance costs, restrictions on or revocations of VWFSJ's permits and licenses, restrictions on or prohibitions of business operations and other adverse consequences.

VWFSJ believes that it maintains all material licenses and permits required for the current operations and that it is in substantial compliance with all applicable regulations. However, there can be no assurance, that VWFSJ will be able to maintain all required licenses and permits, and the failure to satisfy those and other regulatory requirements could have a material adverse effect on its operations. Further, the adoption of additional, or the revision of existing, rules and regulations could have a material adverse effect on VWFSJ's business. Costs of compliance with applicable laws are considerable and such costs are likely to increase further in the future. Such costs can affect operating results. Compliance also requires forms, processes, procedures, controls and the infrastructure to support these requirements. The failure to comply could result in significant statutory civil and criminal penalties, monetary damages, legal fees and costs, possible revocation of licenses and damage to reputation, brand and valued customer relationships.

**The compliance and risk management systems of VWFSJ may prove to be inadequate to prevent and discover breaches of laws, regulations and internal standards or might not be able to identify measure and take appropriate countermeasures against all relevant risks.**

VWFSJ must comply with a range of legislative and regulatory requirements in Japan. VWFSJ has a compliance and risk management system that supports VWFSJ's operational business processes, helps to ensure compliance with legislative and regulatory provisions and, where necessary, initiates appropriate countermeasures.

In addition to compliance with law, integrity is a significant element of VWFSJ corporate culture and is one basic success factor of VWFSJ.

VWFSJ has set up measures and activities to make sure that all representatives, managers and employees act integer and in line with VWFSJ's Code of Conduct and its internal regulations and standards. The implemented anonymous whistleblower system shall ensure that violations of the law, the Code of Conduct or internal regulations are reported and investigated.

However, there remains a risk that members of VWFSJ governing bodies, employees, authorized representatives or agents may violate applicable laws, regulatory requirements, internal standards and procedures. VWFSJ may not be able to identify such violations, evaluate them correctly or take appropriate countermeasures. Furthermore, VWFSJ's compliance and risk management systems may not be appropriate to its size, complexity and geographical diversification and may fail for various reasons. In addition, on the basis of experience, VWFSJ cannot rule out that, for example in contract negotiations connected with business initiation, members of VWFSJ's governing bodies, employees, authorized representatives or agents have accepted, granted or promised advantages for themselves, VWFSJ or third parties, have applied comparable unfair business practices, or continue to do so. VWFSJ's compliance and risk management system may not be sufficient to prevent such actions.

The occurrence of these risks may result in a reputational loss and various adverse legal consequences, such as the imposition of fines and penalties on VWFSJ or members of its governing bodies or employees, or the assertion of damages claims.

If any of these risks were to materialize, this could have a material adverse effect on VWFSJ's business, net assets, financial condition and results of operations.

**VWFSJ is exposed to interest rate risk.**

In the course of VWFSJ's regular business activities, financial risks may arise from changes in interest rates.

The interest rate risk consists of potential losses from changes in market rates. It arises from non-matching interest periods of a portfolio's assets and liabilities. Interest rate risks are incurred in the banking book of VWFSJ. The consequences of unforeseen interest rate changes mainly comprise interest rate losses due to a potential carrying mismatch between primarily long-term fixed interest rates on the asset side and short-term interest rates on the liability side.

**The business of VWFSJ requires substantial funding and liquidity, and disruption in VWFSJ's funding sources or access to the capital markets could have a material adverse effect on its business, liquidity, cash flows, financial condition and results of operations.**

Liquidity risk refers to the risk that due payment obligations cannot be met in full or in a timely manner, or - in the case of a liquidity crisis - that refinancing instruments can only be obtained at higher market rates or not at all or assets can only be sold at a discount to market prices. Therefore, liquidity risk describes the risk that required

funding cannot be obtained, or can only be obtained at higher costs. It applies to payment obligations arising from the existing portfolio as well as liquidity needs for future business.

VWFSJ's continued operations require access to significant amounts of funding. VWFSJ carries out refinancing separately from Volkswagen Group's liquidity holdings. Nevertheless, VWFSJ regularly receives substantial amounts of funding from Volkswagen Group. Therefore, VWFSJ is dependent on Volkswagen Group's and VWFSAG's liquidity situation.

Historically, VWFSJ has mainly satisfied its funding requirements through the issuance short and long-term debt securities out of money market and capital market programs, bank loans, operating cash flows and the securitization of loan receivables including residual values. Therefore VWFSJ is dependent on continued access to these funding sources. VWFSJ seeks to ensure and it remains solvent at all times by holding sufficient liquidity reserves through credit lines, securities, cash reserves.

The diverse access to funding sources may be limited in the future by potential market or regulatory changes in the banking sector. Due to its ongoing funding needs, VWFSJ is also exposed to liquidity risk in the event of prolonged closure of debt or credit markets. The use of committed and uncommitted credit lines with banks to cover liquidity needs depends on the willingness and ability of banks to provide these facilities. VWFSJ relies to a certain degree on the ability to transfer finance and lease assets to newly formed or existing securitization trusts and special purpose vehicles and to sell securities in the asset-backed securities market to generate cash proceeds for repayment of due debt and to grow business.

There can be no assurance that VWFSJ's current financing arrangements will provide it with sufficient liquidity under various market and economic scenarios. A deterioration of the situation on the money and capital markets, a loss of reputation or a decrease in VWFSAG Group's or VWFSJ's creditworthiness could greatly undermine VWFSJ's ability to refinance itself. Even if its assets and available funding arrangements provide VWFSJ with sufficient liquidity, its costs of funding could increase.

If these sources of funding are not available on a regular basis for any reason, including the occurrence of events of default, deterioration in loss experience on the collateral, breach of financial covenants or portfolio and pool performance measures, disruption of the asset-backed market or otherwise, VWFSJ would be required to revise the scale of its business which would have a material adverse effect on their financial position, liquidity and results of operations. In an adverse scenario the inability to service due debt could potentially lead to insolvency.

VWFSJ's liquidity and long-term viability depends on many factors including its ability to successfully raise capital and secure appropriate financing.

As VWFSJ is part of the group of consolidated companies of VWFSAG Group, which is supervised by the European Central Bank, VWFSJ in its consolidated context has to comply with all liquidity regulations that apply for this group.

**The credit ratings of Notes issued by VWFSJ are subject to changes of Volkswagen AG's or VWFSAG's credit ratings. Negative changes to Volkswagen AG's or VWFSAG's credit ratings could adversely affect the credit ratings of securities issued by VWFSJ and in turn VWFSJ's funding costs, financial condition and results of operation.**

VWFSAG is a wholly-owned subsidiary of Volkswagen AG. Due to the strong strategic and economic interlinkage between these two companies, the credit rating of VWFSAG remains strongly dependent on the economic development and on the credit rating of Volkswagen AG. The rating of notes issued by VWFSJ strongly depends on the credit rating of VWFSAG as guarantor of these notes.

VWFSJ's refinancing opportunities may be adversely affected by a rating downgrade or a rating withdrawal of any of VWFSAG's credit ratings, which includes transaction ratings. For example, if VWFSAG's credit ratings worsen, the demand from money and capital market participants for securities issued by VWFSJ and thus the access to these funding sources may be negatively affected. Additionally, a rating downgrade could adversely impact the credit spreads VWFSJ has to pay with regard to all funding instruments used. Consequently, negative changes to VWFSAG's ratings could cause adverse impacts on VWFSJ's financial condition, liquidity, cash flows and result of operations.

Furthermore, a credit rating may not correctly reflect the potential impact of solvency risks of VWFSAG as guarantor or VWFSJ as issuer of notes. The rating agencies that currently or in the future assign a rating to bonds issued by VWFSJ may change their assessment criteria. This could result in a rating action, which is based on such criteria change, but need not necessarily be related to a deterioration or improvement of the solvency of VWFSAG or VWFSJ.

**VWFSJ is exposed to the risk of insufficient insurance coverage that may arise due to higher than expected damages or intentionally uninsured risks.**

VWFSJ has obtained insurance coverage in relation to a number of risks associated with its business activities under Volkswagen Group insurances that are subject to standard exclusions, such as willful misconduct. Where the risks arising from legal disputes and investigations can be assessed, are transparent and economically reasonable, adequate insurance cover is taken out for these risks and appropriate provisions are recognized for the remaining identifiable risks.

However, as some risks cannot be identified or can only be assessed to a limited extent, there is a risk that losses or damages occur which are not covered by insurance and/or provisions. In addition, there are risks left intentionally uninsured based on VWFSJ's cost benefit analysis and VWFSJ therefore has no insurance against these events. As a result, if VWFSJ sustains damages for which there is no or insufficient insurance coverage or encounters restrictions on insurance coverage, the above-described risks may have a material adverse effect on VWFSJ's general business activities, net assets, financial position and results of operations.

**Tax laws and their interpretation may adversely affect VWFSJ's financial condition and results of operations.**

VWFSJ is subject to tax legislation in Japan. Although the tax department, supported by local advisors, monitors the tax situation, there are latent tax risks due to possible modifications or general changes to the tax regime, tax law, accounting principles or other laws of jurisdictions by the competent authorities. Modifications or changes could occur during the lifetime of the assets and liabilities of VWFSJ and may have a material adverse effect on its business, net assets, financial condition and results of operations.

Moreover, VWFSJ is exposed to tax risks, which could arise in particular as a result of tax audits or as a result of past measures. Ongoing or future tax audits may lead to demands for back taxes, tax penalties and / or similar payments. Such payments may arise, for example, from the full or partial non-recognition of intra-group transfer prices. In countries where there are no limitation periods for tax payments, VWFSJ may also face demands for back taxes relating to earlier periods. Taking this under consideration VWFSJ's provisions for tax risks may be insufficient to cover possible settlement amounts. The occurrence of these risks could have a material adverse effect on VWFSJ's net assets, financial position and results of operations.

**VWFSJ could be adversely affected by an event or several successive events that might cause reputational damage.**

Various issues may give rise to reputational risk and cause harm to VWFSJJ. Reputational risk denotes the danger that an event or several successive events might cause reputational damage (public opinion), which might limit VWFSJ's current and future business opportunities and activities (potential success) and thus lead to indirect financial losses (customer base, sales, equity, refinancing costs etc.) or direct financial losses (penalties, litigation costs etc.). Damage to VWFSJ's reputation or image could result in a direct effect on the financial success.

The issues that could give rise to reputational risk include product recalls, reputation loss for the Volkswagen Group in general, legal and regulatory requirements, antitrust and competition law issues, ethical issues, environmental issues, money laundering and anti-bribery laws, data protection laws, information security policies, or problems with services provided by VWFSJ or by third parties on its behalf. Failure to address these issues appropriately could also give rise to additional legal risk, which could adversely affect existing litigation claims against VWFSJ and the amount of damages asserted against VWFSJ or subject it to additional litigation claims or regulatory sanctions. Any of the above factors could have a material adverse effect on the brand, reputation, business, financial condition and results of operations of VWFSJ.

## Risk Factors regarding Volkswagen Financial Services Australia Pty Limited

*The following is a disclosure of principal risk factors that may affect VWFSAL's ability to fulfil its obligations under the Notes.*

*Prospective investors should consider all information provided in this Prospectus and should take into account their current financial situation and their investment objectives before deciding whether to invest in the Notes. Prospective investors are also advised to consult their own tax advisers, legal advisers, accountants or other relevant advisers as to the risks associated with, and consequences of, the purchase, ownership and disposition of the Notes including the effect of any laws of each country in which they are resident.*

*In addition, prospective investors should be aware that the described risks may result in a significant decrease in the price of the Notes up to a total loss of interest and the invested capital.*

**Volkswagen Group is facing investigations and potential impacts out of discrepancies related to the diesel issue that have had and may continue to have risks on the business, financial condition and operations of VWFSAL.**

**Risks resulting from the diesel issue**

The results of the ongoing and any future investigations and claims and public discussions may have a material adverse effect on Volkswagen Group's and VWFSAL's business, financial position, results of operations and reputation, the price of VWFSAL's securities and its ability to make payments under its securities. If Volkswagen's and VWFSAL's efforts to address, manage and remediate the issues described above are not successful, their business could suffer irreparable harm. Additionally, the diesel issue could impact or exacerbate other risks related to VWFSAL described in this Prospectus.

Various repercussions could result for VWFSAL from the diesel issue. The uncertainty resulting from this issue such as how end customers and dealers will behave in the future or how regulatory authorities and courts will ultimately rule, make certain scenarios conceivable that could negatively impact the asset, financial and operations situation of VWFSAL.

It is generally the case that VWFSAL as sales promoter and provider of purchasing finance for Volkswagen Group is directly affected by decreased vehicle sales. Fewer deliveries to customers mean fewer opportunities to market a financial product from VWFSAL during the sale. Consequently, reduced business levels achieved by Volkswagen Group are likely to lead to less new business at VWFSAL, which could be negatively reflected in the results of operations.

The diesel issue could result in negative effects on the reputation of the trademark VW and thus VWFSAL. Reputational damage (public opinion) and possible loss of customer confidence might limit VWFSAL’s current and future business opportunities and activities in its business and could lead to indirect or direct financial losses.

The diesel issue or driving restrictions could have various effects on new business. The financing and leasing business for diesel vehicles could face a general market downturn due to purchasing restraint on the part of the end customer. Such a market downturn could manifest itself, inter alia, in declining sales and falling prices for both new and used vehicles. Decreasing sales or prices would ultimately be reflected in lower income potential for VWFSAL.

Falling new and used car prices would affect VWFSAL at various stages. In the context of the ability to successfully place leasing products and products with balloon rate and return option in the market, this could, on the one hand, mean pressure on margins. On the other hand, the residual value risk from returned vehicles could increase since the residual values calculated may not correspond with the current residual value assumptions for the end of the contract. As a result, VWFSAL would have to maintain higher value adjustments or record direct partial write-offs against income on its portfolio.

Another possible outcome could be that dealers run into financial difficulties. Owing to lower sales of new and used vehicles, or sales carried out with low or (in extreme cases) no margin, due to a buying restraint of customers caused by the uncertainties surrounding the diesel issues, dealers may not be able to generate sufficient cash flows to meet their financial liabilities. The off-the-road time and the portfolio of vehicles in stock could increase and the dealers would therefore no longer be able to buy new models to resell to consumers, which would generate further pressure on the financial position of the dealers. As a result, dealer loyalty could decline and they may utilize financial products from other financial service providers or, at worst, completely refrain from doing business with VWFSAL. Any deterioration in the creditworthiness of dealers and any loss of sales partners would have a negative impact on the profitability and financial position of VWFSAL.

The enforcement of intensified or time-consuming control procedures for the launch of new vehicles could also have a negative impact on VWFSAL. A tightening of control procedures could, for example, require the

subsequent installation of additional diesel features in the Volkswagen Group vehicles. Both the cost of installation of additional components and delayed regulatory approval for the market launch of any particular vehicle would have a negative impact on sales figures, and therefore on revenues.

Changes in the legislation (inter alia any elimination or reduction of tax relief in the diesel sector) could result in a decline in the volume and market share of the fleet business of VWFSAL. In addition, there is a risk that, due to the diesel issue, VWFSAL might be listed as an untrustworthy supplier and may no longer be able to participate in tenders or could be explicitly excluded from them. Both of these cases would have an impact on business volume and could bring about a significant and lasting loss of reputation in this segment.

The Volkswagen Group may also have to implement austerity programs as a result of the diesel issue, for example by reducing or canceling its sales support for, or promotion of, financial services products. Therefore, VWFSAL might be required to implement interest rate and concomitant price increases or, alternatively, may have to bear the costs of the sales incentives. New business and/or profitability may decline as a result.

Refinancing costs also have a significant impact on the business of VWFSAL. The risk is that refinancing costs will rise as a result of the diesel issue – for example due to downgrades by the rating agencies, investor caution as a result of Volkswagen Group uncertainty, or through limited access to the money and capital markets if funding sources are not available to the full extent. Higher refinancing costs would reduce margins and/or increase prices for customers, which in turn could reduce the turnover of financial service products. Moreover, the diesel issue could lead to an early redemption of asset-backed securities with respect to which Volkswagen Group vehicles with diesel engines serve as collateral.

VWFSAL could become involved in legal or regulatory proceedings specifically in relation to the diesel issue either directly through its provision of financial services in relation to the affected vehicles, or indirectly in connection with potential claims against Volkswagen AG, other subsidiaries of the Volkswagen Group or dealers. Governmental authorities in various jurisdictions have also commenced investigations involving certain of VWFSAG's subsidiaries, the outcome of which is not yet certain. It cannot be excluded that governmental authorities start investigations against VWFSAG and/or its subsidiaries, including VWFSAL.

Finally, the regulatory authorities could increase the regulatory pressure on VWFSAG Group as a direct consequence of the diesel issue. Such regulations (e.g. higher equity requirements, increased processing and documentation costs, or additional personnel) may result in higher costs for VWFSAG Group and might have an impact on VWFSAL as well.

**Demand for VWFSAL´s products and services depend upon the overall economic situation, which in turn can be impacted by market volatility, macroeconomic trends, protectionist tendencies and other risks.** As a financial company active in Australia, VWFSAL benefits from stable markets and a growing Australian economy. A weakening of the economy may have a negative impact on VWFSAL's business. Economic growth and developments in some industrialized countries and emerging markets have been endangered by volatility in the financial markets and structural deficits in recent years. In particular, high levels of public and private debt, movements in major currencies, volatile commodity prices as well as political and economic uncertainty negatively impacted consumption, damaging the macroeconomic environment. Stagnation or declines in countries and regions that are major economic centers have an immediate effect on the global economy and thus pose a key risk for VWFSAL's business.

Any signs of economic uncertainty in Australia, including a slowdown in economic growth, largescale government austerity measures or tax increases, could lead to significant long-term economic weakness.

**VWFSAL, as a captive finance company, is by nature dependent on sales by Volkswagen Group, meaning any risk that is negatively influencing the vehicle delivery of Volkswagen Group may have adverse effects on the business of VWFSAL.**

VWFSAL, as a captive finance company, has a limited business model, namely the sales support of products of the Volkswagen Group. Thus, the financial success of VWFSAL depends largely on the success of the Volkswagen Group. The development of vehicle deliveries to customers of Volkswagen Group is crucial and material to the generation of new contracts for VWFSAL. As long as the Volkswagen Group is able to satisfy customer needs and to comply with market standards/ requirements with its products and thus maintain or grow its deliveries to customers, VWFSAL will benefit as well. However due to this dependency, fewer vehicle deliveries would also result in reduced business for VWFSAL.

The reason for fewer vehicle sales can be diverse, including but not limited to the following:

If economic growth does not materialize to the extent expected or if economic conditions weaken in Australian market, the Volkswagen Group may sell fewer products in the market or obtain lower than expected prices. Additionally, a lack of economic growth could lead to a decrease of deliveries to customers caused by intensified

price competition among automotive manufacturers. As a rule, a weakening economy is accompanied by lower disposable income from both existing and potential new customers. A decrease in customers' disposable income or their financial condition will generally have a negative impact on vehicle sales.

Moreover, further legal investigations might be launched in the future and existing investigations could be expanded. This may result in further legal actions being taken against Volkswagen Group and could have a negative influence on customer behavior and the business of VWFSAL.

Finally, if regulatory/ political decisions (e.g. sales stops, driving bans, WLTP) or technological developments (e.g. e-mobility) may influence customer demand, the sales of Volkswagen Group could be negatively influenced resulting in less business opportunities for VWFSAL.

Although VWFSAL operates different brands in Australia a simultaneous and exceptionally strong reduction of vehicle deliveries might result in negative volume and financial performance for VWFSAL.

**VWFSAL is exposed to strategic risks that could arise from unfavorable decisions on business development, products, pricing, investments in infrastructure or personnel.**

VWFSAL's management is regularly required to make strategic decisions that may have a significant impact on VWFSAL, general business activities, operations and financial position. These decisions cover multiple topics ranging from entry into (or exit from) particular businesses or product lines, pricing of products, investments into particular marketing efforts or infrastructure (including IT infrastructure) to risk management and hiring of key personnel. Strategic risk means a risk of a direct or indirect loss resulting from strategic decisions based on errors or false assumptions. Strategic risk also implies failure to reach strategic objectives as well as the risks arising from integration/reorganisation of technical systems, personnel and corporate culture.

Should a strategic risk scenario materialize, it could endanger VWFSAL's existence or lead to lower profits and could have a material adverse effect on reputation, general business activities, operations, and financial position.

**Deviations between expected and realized profit and loss may lead to earnings risks for VWFSAL.**

Earnings risks denote the danger of deviations between planned and realized income statement earnings according to the management concept of VWFSAL. It is derived from any variance in the actual income (negative variance) and actual expenses (positive variance) in comparison with the budgeted figures.

The risk is largely determined by the business strategy and internal business planning as well as by changes in general operating parameters (such as the level of sales in the Volkswagen Group, business volume, technical processes, competitive environment).

Should the risk materialize, this could reduce profits and could therefore have a material adverse effect on the business, financial condition and results of operations of VWFSAL.

**A change in consumer preferences or additional governmental regulations may have an adverse effect on VWFSAL’s business activities.**

A change in consumer preferences or governmental regulations away from transport by automobile, as well as a trend towards smaller vehicles or vehicles equipped with smaller engines, alternative drivetrains or other technical enhancements could have a material adverse effect on VWFSAL’s general business activities.

Private and commercial users are increasingly open to using modes of transportation other than the automobile, especially in connection with growing urbanization. The reasons for this could include rising costs associated with owning a vehicle, increasing traffic density in major cities and environmental awareness. Environmental concerns in particular are prompting calls for increasing traffic or vehicle restrictions, such as the diesel vehicle bans being contemplated or gradually implemented across various cities or regions, or quotas being set for electric vehicles.

Furthermore, the increased openness to use ride and car sharing concepts and new city-based car rental schemes may reduce dependency on privately owned automobiles altogether. Moreover, transport of goods may shift from trucks to other modes of transport, which could lead to lower demand for Volkswagen's commercial vehicles or could change the customer requirements towards commercial vehicles.

**Wrong product decisions linked to regulatory or competitive criteria could lead to lower product profitability due to missed customer needs, reputational damage or fines and finally may have negative effects on the overall business of VWFSAL.**

The primary objective of VWFSAL is to promote the sales of the vehicles Volkswagen Group produces and to strengthen customer loyalty to Volkswagen Group's brands. In order to fulfill this role VWFSAL has to offer products that on the one hand meet customer demands and on the other hand generate profits. Hence the decision-making process whether or not a product is introduced, is important for the success of VWFSAL. Every product decision is subject to various risks and if risks are not properly taken into account as part of the product

decision, this may generate losses in sales results and damage the Volkswagen Group's image.

Products have to comply with regulatory requirements. VWFSAL operates in a highly regulated environment. A wrong product decision or erroneous product design, which violates legal or regulatory rules, could result in regulators mistrusting the Volkswagen Group and to significant fines and reputational damage.

Furthermore, a wrong advertising without the disclosure of material condition and deceptive statement could also affect customer loyalty and sales results.

The ability to offer financial services products that meet customer demands is the main critical success factor to reach VWFSAL targets. If VWFSAL is unable to adapt its product offerings to meet customer demands or if VWFSAL misjudges the competitive environment, this could lead to significant sales risk with a material effect on VWFSAL's business and financial results. Moreover, unattractive products from VWFSAL could not only affect its own sales volume but also the sales volume of Volkswagen Group, because potential customers with financing and leasing needs may view competitors' financing offers as more favorable and thus purchase products of competitors.

During the start-up phase of new products, the cannibalization effects (decrease in new contracts of a product due to the introduction of another product in the same product line) has to be taken into account by calculating the effects of the product introduction on the existing product portfolio. If VWFSAL does not consider this cannibalization effects in the development of new products or makes unrealistic assumptions, this could have negative impact on the financial result.

**VWFSAL may not be able to keep pace with the process of digitalisation, which may have an adverse effect on the business, financial condition and results of operations of VWFSAL.**

VWFSAL is facing risks from new players entering the industry and new technologies changing the generation and delivery of products and services. Digitalisation will have a significant and far-reaching impact for the financial services sector.

Due to the rapidly changing environment in the digital world, the current sales and services processes will change and new - unregulated -players will enter the financial services markets challenging established players and business models. This entails the risk that VWFSAL may not be able to respond in time to challenges posed by new players in the digital environment. This might have an adverse effect on customer relationships, as current and future customers could turn away from VWFSAL and purchase products from other suppliers.

The customer expects to have access to financial information independent of time and location and to purchase financial services products through a variety of sales channels. The greatest challenge for VWFSAL is to establish the relevant processes meeting the customer needs in time.

A further risk for VWFSAL is to provide insufficient information on its online platforms. A lack of transparency may have a negative impact on the reputation of VWFSAL.

VWFSAL takes on the challenges of digitalisation. Therefore a corresponding strategic area of activity, “ROUTE2025”, was integrated into the corporate strategy to identify and monitor future digital development within VWFSAL’s markets. Despite these efforts, it cannot be ruled out that competitors are faster or more innovative in implementing digital solutions, which could have a negative impact on the earnings situation of VWFSAL.

**VWFSAL is exposed to the risk that its customers or other contractual counterparties may default or that the credit quality of its customers or other contractual counterparties may deteriorate.**

The risk of counterparty default at VWFSAL is defined as the potential negative deviation of the actual counterparty risk outcome from the planned one. This includes but is not limited to the risk of default on lease payments as well as on repayment and interest payments of financing contracts. The deviation in outcome occurs when the actual loss exceeds the expected loss due to changes in credit ratings or credit losses.

**Credit Risk**

Credit risk concerns the risk of loss through defaults in the customer business, for example, due to non-payments by a borrower or lessee of their obligations. The default is contingent on the inability or unwillingness of the borrower or lessee to make payments. This includes scenarios where the contracting party makes payments late, only partially or not at all.

Credit risks, including risks of counterparty default relating to leasing contracts, represent the main component of VWFSAL’s risk. They result from financing and leasing business in the automobile business.

The quality of credit risk is influenced by, among other factors, customers’ financial strength, collateral quality, overall demand for vehicles and general macroeconomic conditions. In order to assess the level of credit risk VWFSAL uses rating- and scoring-systems, that provide the relevant departments with an objective basis to

evaluate a potential loan or lease. These assessments take into account both quantitative factors (mainly data from annual financial statements) and qualitative factors (such as the prospects for future business growth, quality of management and the customer's payments record). Although VWFSAL regularly validates the parameters and models, there can be no assurance that the calculated probabilities accurately reflect the future developments. If, for example, an economic downturn were to lead to increased inability or unwillingness of borrowers or lessees to repay their debts, increased write-downs and higher provisions would be required, which in turn could adversely affect VWFSAL's results of operations.

VWFSAL has implemented detailed procedures in order to contact delinquent customers for payment, arrange for the repossession of unpaid vehicles and sell repossessed vehicles. However, there is still the risk that VWFSAL's assessment procedures, monitoring of credit risk, maintenance of customer account records and repossession policies might not be sufficient to prevent negative effects for VWFSAL.

**Counterparty Risk**

Counterparty risk arises from the entering into derivative transactions with financial institutions (e.g. to manage interest rate risk).

If counterparty risks materialize, by way of defaults or deterioration in the credit standing of VWFSAL's contractual counterparties, this could have a material adverse effect on VWFSAL's net assets, financial position and results of operations. This includes scenarios where the contracting counterparties make payments late or not in full.

**A decrease in the residual values or the sales proceeds of returned vehicles could have a material adverse effect on the business, financial condition and results of operations of VWFSAL.**

As a lessor under leasing contracts, including contracts with a balloon rate and return option for the customer, VWFSAL generally bears the risk that the market value of vehicles sold at the end of the term may be lower than the contractual residual value at the time the contract was entered into (so-called residual value risk). VWFSAL takes such differences into account in establishing provisions for the existing portfolio and in its determination of the contractual residual values for new business.

The residual value risk could be influenced by many different external factors. A decline in the residual value of used cars could be caused by initiatives to promote sales of new vehicles, which was evident during the global financial and economic crisis when incentive programs were offered by governments and automobile manufacturers. All the aforementioned factors result in increasing provisioning for residual value risk. It cannot be ruled out that a similar scenario due to renewed deterioration of the macroeconomic environment could occur in the future.

Moreover an adverse change in consumer confidence and consumer preferences could lead to higher residual value risks for VWFSAL. Customers determine the demand and therefore the prices of used cars. If customers refrain from purchasing Volkswagen Group vehicles, for example due to such vehicles' perceived poor image or unappealing design, this could have a negative impact on residual values.

Furthermore, changes in economic conditions, government policies, exchange rates, marketing programs, the actual or perceived quality, safety or reliability of vehicles or fuel prices could also influence the residual value risk. A decline in the residual values of Volkswagen Group vehicles could materially adversely affect VWFSAL's net assets, financial position and results of operations.

Furthermore, the development of residual value risks could be influenced by the topic of e-mobility. On the one hand, rapid technical progress in the field of battery technology in favor of vehicle ranges could lead to increasing residual value risks in existing electric vehicle portfolios, as customer demand for outdated technologies is supposed to be falling, especially in the first few years. On the other hand, due to substitution effects, sales of electric cars as a result of changing customer behavior could have a negative impact on the residual values of conventional combustion based vehicles, as a result of decreasing customer demand. Finally, e-mobility developments and the impact on residual value risks are difficult to predict and could therefore materially adversely affect VWFSAL's net assets, financial position and results of operations.

Uncertainties may also exist with respect to the internal methods for calculating residual values, for example owing to assumptions that prove to have been incorrect. Although VWFSAL continuously monitors used car price trends and makes adjustments to its risk valuation, there is still the risk of using false assumptions to assess the residual value risk.

Estimates of provisions for residual value risks may be less than the amounts actually required to be paid due to misjudgments of initial residual value forecasts or changes in market or regulatory conditions. Such a potential shortfall may have a material adverse effect on VWFSAL's business activities, net assets, financial position and results of operations.

**VWFSAL is exposed to concentrations of risk, such as counterparties, collateral or income that are typical for a captive finance company.**

Risk concentrations can arise to various degrees due to VWFSAL's business model, which focuses on promoting sales of the various Volkswagen Group brands.

Concentrations of counterparties are currently insignificant for VWFSAL because a large part of the lending business deals with small (retail) loans. VWFSAL's business is concentrated in the Australian market. Hence, the customer and asset class structure may change in the future and therefore concentrations of counterparties could arise.

Industry concentrations in the dealer business are inherent to a captive finance company.

Concentrations of collateral exist for VWFSAL, because vehicles are the predominant type of collateral. Risks from concentrations of collateral can arise if negative price movements in the overall used car markets or especially in Volkswagen Group's brands reduce proceeds from the disposal of collateral and, as a result, cause a decline in the value of collateral. Since VWFSAL promotes sales of various Volkswagen Group brands and their different vehicles the risk of synchronous price movements cannot be neglected completely.

A concentration of income arises due to VWFSAL's business model. The particular role as a sales promoter for the Volkswagen Group gives rise to dependencies that directly affect the development of income.

The occurrence of risk concentrations could adversely affect VWFSAL's net assets, financial position and results of operations.

**VWFSAL is exposed to operational risks, such as process risks, personnel risks, technology risks and external risks that could have negative effects on its business.**

Operational risk at VWFSAL is defined as the threat of losses that arise from the inappropriateness or failure of internal processes (process risks), people (personnel risks), systems (technology risks, e.g. IT risks) or external factors (external risks, e.g. terror attacks). This definition includes legal risks as well as project related risks.

VWFSAL relies on internal and external information and technological systems to manage its operations and as a result is subject to potential losses from breaches of security or laws, system or control failures, inadequate or failed processes, human error, business interruptions and external events etc. Any of these events could have a material adverse effect on business operations, increase the risk of loss resulting from disruptions of normal operating procedures, cause considerable information retrieval and verification costs, and potentially result in financial losses or other damage, including damage to VWFSAL's reputation.

Operational risks are increasingly important due to the rising complexity of the financial services industry, the growing speed of innovation as well as the increased use of new technology in the financial services business.

**Process Risks**

The efficient, day-to-day performance of the business of VWFSAL relies heavily on a large number of internal processes, for example on credit or leasing approval processes as well as regulatory reporting processes. Any missing, outdated or defective processes as well as critical flaws in processes or failure by VWFSAL's employees to properly follow process related instructions can expose VWFSAL to significant risks and could have a material adverse effect on its business, financial condition and results of operations.

**Personnel risks**

Risks relating to VWFSAL's employees are described as personnel risk. The individual skills and technical expertise of VWFSAL's employees are a major factor contributing to VWFSAL's success. If VWFSAL loses experienced employees due to turnover, targeted recruiting or retirements, this may lead to a significant drain on VWFSAL's know-how.

Because of demographic developments VWFSAL has to cope with changes relating to an aging workforce and has to secure a sufficient number of qualified young persons with the potential to become the next generation of highly skilled specialists and executives.

Competition for qualified personnel is increasing and if VWFSAL fails to retain qualified personnel to the necessary extent, or if it fails to add additional qualified personnel or to continue to train existing personnel, VWFSAL may not reach its strategic and economic objectives.

In addition, unintended errors, unauthorized actions or wrong decisions may lead to significant competitive disadvantages.

**Technology risks**

A functioning and secure IT is essential for the ongoing business and thus for the success of VWFSAL. In order to satisfy the requirements related to international financial services, VWFSAL operates comprehensive and complex IT systems. A group-wide harmonization of various IT systems and data centers of VWFSAL with those of third parties connected thereto constitutes a great challenge in regard to creating a uniform IT architecture.

In a centralized and standardized IT environment, there is a risk of excessive dependence on a single system or a single data center. In that case, a system failure could have serious consequences for VWFSAL. However, a lack of standardization in the data centers bears risks concerning the security and availability of IT systems, i.e. the operation ability in an emergency. Failure to create a uniform IT architecture across VWFSAL subjects it to risks inherent in a non-uniform IT system, such as compatibility issues for both hardware and software or the necessity to train personnel for different systems.

Additionally, numerous essential functional processes in the financial services business depend on computer-controlled applications and cannot be carried out without properly functioning IT systems and IT infrastructure. Malfunctions or errors in internal or external IT systems and networks, including potential outside intrusions by hackers or computer viruses, software or hardware errors and violations of data integrity could have adverse effects on the operations of VWFSAL. Further risks such as modern industrial espionage and targeted attacks as well as the possibility of insider attacks challenge the availability, confidentiality, integrity, authenticity and traceability of systems and data at VWFSAL.

Furthermore, regular or event-driven updates are required for many of VWFSAL's IT systems in order to meet increasingly complex business and regulatory requirements. Some of the IT-systems used by VWFSAL are no longer supported by their vendors or updates are delivered incorrectly or with a delay respectively. IT system downtime, interruptions, functional deficits or security flaws may significantly adversely affect customer and business partner relationships, accounting and business processes and hence result in significant expenses for data restoration and verification. Among other things, IT incidents or malicious attacks on mobile online services directly affect customers and may attract negative media attention.

VWFSAL collects processes and uses confidential employee-, customer-, brand- and dealer data, for example in the areas of human resources or direct marketing. In this regard, VWFSAL must comply with applicable data protection laws in order to prevent the abuse of personal or contractual data. Violations of such laws may damage VWFSAL's reputation, constitute administrative offenses or criminal acts and lead to damages claims and fines as well as business interruptions.

VWFSAL carries out several national and international, partially cross-company IT projects with the aim to further develop and extend the product range also under the use of new technologies. Insufficient project management can lead to delayed project realizations or reduced targets and revenues. In connection with external procurement of capacities, risk with a view to internal know-how can arise.

VWFSAL coverage may not be adequate to cover all the costs related to IT risks. Any failure to prevent such IT risks could subject VWFSAL to liability, decrease VWFSAL's profitability and damage its reputation.

**External Risks**

The occurrence of catastrophic or unforeseen events (so called external risks), including natural disasters, terrorist attacks, the emergence of a pandemic, strike, fire or other widespread emergency could create economic and financial disruptions, lead to operational difficulties (including travel limitations or relocation of affected employees) that could have an adverse effect on VWFSAL's financial condition and results of operations.

**Dependency on service providers and on contracted services that may be rendered incompletely or not at all could have negative effects on the business operations of VWFSAL.**

As part of its operative activities, VWFSAL uses the support of external service providers. Generally, the selection and cooperation with external services providers is regulated by instructions and processes of VWFSAL. In connection with external service providers, there are risks that cannot be excluded despite minimizing risk targets and instruments.

VWFSAL faces the risk that the contracted services are not rendered in full or not at all. This could cause an increased financial burden to purchase the services in the required scope, time and quality. In exceptional cases, an external service provider could terminate business operations abruptly or with a short lead time, for example due to insolvency or disaster scenarios. Finally, the aforementioned risks could result in VWFSAL providing services to its stakeholders with delay, in lower quality or not at all. These risks may financially affect VWFSAL.

**VWFSAL is exposed to litigation risks that may result from legal disputes, governmental investigations or other official proceedings with various stakeholders.**

In the course of its operating activities, VWFSAL could become subject to legal disputes, governmental investigations or other official proceedings in Australia as well as abroad. In particular, but not limited to the following scenarios, such proceedings may be initiated by relevant authorities, suppliers, dealers, customers, employees, or investors and could relate to, inter alia, legal and regulatory requirements, competition issues, ethical issues, money laundering laws, data protection laws, non-compliance with civil law and information security policies. For the companies involved, these proceedings may result in payments, regulatory sanctions or other obligations. Complaints brought by suppliers, dealers, investors or other third parties may also result in significant costs, risks or damages for VWFSAL. There may be investigations by governmental authorities into circumstances of which VWFSAL is currently not aware, or which have already arisen or will arise in the future, including in relation to alleged violations of supervisory law, competition law or criminal law.Furthermore, VWFSAL must comply with consumer credit regulations adopted in Australia, including the National Consumer Credit Protection Act 2011. The National Consumer Credit Protection Act and other consumer protection legislations regulate matters such as advertising to consumers, information to borrowers regarding loan conditions and pre-financing suitability checks. Any violation of compliance with these laws could result in claims from a large number of customers and could have a materially adverse effect to VWFSAL's business operations and financial condition.

As an automotive manufacturer-associated provider of financial services, VWFSAL enters into finance and lease contracts of Volkswagen Group vehicles with retail and corporate customers. As such, VWFSAL is dependent on the sale and quality of Volkswagen Group vehicles. Any irregularities of these vehicles might affect VWFSAL's business, in particular the sale contracts of the manufacturer or dealer on the one hand and finance or lease contracts of the financial services provider on the other hand are considered to be linked with each other.

Litigation is inherently uncertain and VWFSAL could experience significant adverse results regardless of the merits of any alleged claims or outcomes of proceedings in which it is directly or indirectly involved. In addition, adverse publicity relating to allegations involving VWFSAL Group or the Volkswagen Group may cause significant reputational harm that could have a material adverse effect on VWFSAL.

Any of the foregoing could have a material adverse effect on VWFSAL's business, financial position, results of operations and its reputation.

**VWFSAL may not be able to use its trademarks / intellectual property rights or to adequately protect its intellectual property and could be liable for infringement of third-party intellectual property.**

VWFSAL is using trademarks and other intellectual property rights owned by the Volkswagen Group, which are of essential importance to VWFSAL's business success. If such rights were challenged and Volkswagen Group is not able to secure such rights in the future, VWFSAL may not be allowed to use these trademarks or intellectual property rights, which might adversely affect its general business activities, net assets, financial position and results of operations.

VWFSAL owns a number of trademarks, patent applications and other intellectual property rights. Despite ownership of these rights, VWFSAL may not be able to enforce claims against third parties to the extent required or desired. VWFSAL's intellectual property rights may be challenged and VWFSAL may not be able to secure such rights in the future. Furthermore, third parties may violate VWFSAL's intellectual property rights and VWFSAL may not be able to prevent such violations for legal or factual reasons.

VWFSAL may also infringe patents, trademarks or other third-party rights or may not have validly acquired service inventions. Moreover, VWFSAL may not obtain all licenses necessary for carrying on its business successfully in the future. If VWFSAL is alleged or determined to have violated third-party intellectual property rights, it may have to pay damages or may be barred from marketing certain products. VWFSAL could also face costly litigation.

**Increased regulations and measures could affect business profitability and result of operations of VWFSAL.**

As a response to the global financial crisis, most jurisdictions have imposed increased regulations and implemented measures designed to prevent future financial crises or diminish their effects. Such implemented or planned regulations and measures may lead to additional costs, materially affecting the business, results of operations and profitability of VWFSAL. To prevent a future financial crisis, legislators may decide on additional charges and taxes, for example the introduction of taxes on financial market transactions. Any such new rules may have a negative impact on the net assets, financial position and result of operations of VWFSAL.

VWFSAL is subject to the Australian regulation and supervision. These supervisory bodies have broad jurisdiction over many aspects of VWFSAL's operations, including marketing and selling practices, licensing and terms of

business. Any changes in the regulatory framework and its applications, or any further implementation of new requirements for financial institutions, may have a material effect on the business and operations of VWFSAL. Each of VWFSAL's operations also faces the risk that the relevant supervisory body may find it has failed to comply with applicable regulations and any such regulatory proceedings could result in adverse publicity for, or negative perceptions regarding, such supervised entity, which could reflect on VWFSAL. In addition, any significant regulatory action against a member of VWFSAG Group could have a material adverse effect on VWFSAL's business results.

Furthermore, VWFSAL must comply with consumer credit regulations adopted in Australia. The costs of complying with these laws and regulations, as well as with any additional regulation, could affect the conduct of VWFSAL's business and negatively affect its financial condition. Any violation of compliance with these laws could have a materially adverse effect on VWFSAL's business operations and financial condition.

**VWFSAL has to comply with comprehensive and constantly changing government regulations which bears the risk that laws are not being adhered to properly or efficiently.**

Compliance with law is a basic precondition for the success of VWFSAL. The growing scale of VWFSAL's business operations as well as the increasing number and complexity of legal regulations increase the risk that legal requirements are violated, either because they are not known or because they are not fully understood.

VWFSAL has established a compliance system to make sure that all representatives, managers and employees act within the legal requirements in Australia. However, there remains a risk that representatives, managers or employees do not act in compliance with applicable laws. A violation of applicable law could lead to the imposition of penalties, liabilities, additional compliance costs, restrictions on or revocations of VWFSAL's permits and licenses, restrictions on or prohibitions of business operations and other adverse consequences.

VWFSAL believes that it maintains all material licenses and permits required for the current operations and that it is in substantial compliance with all applicable regulations. However, there can be no assurance, that VWFSAL will be able to maintain all required licenses and permits, and the failure to satisfy those and other regulatory requirements could have a material adverse effect on its operations. Further, the adoption of additional, or the revision of existing, rules and regulations could have a material adverse effect on VWFSAL's business. Costs of compliance with applicable laws are considerable and such costs are likely to increase further in the future. Such costs can affect operating results. Compliance also requires forms, processes, procedures, controls and the infrastructure to support these requirements. The failure to comply could result in significant statutory civil and criminal penalties, monetary damages, legal fees and costs, possible revocation of licenses and damage to reputation, brand and valued customer relationships.

**The compliance and risk management systems of VWFSAL may prove to be inadequate to prevent and discover breaches of laws, regulations and internal standards or might not be able to identify measure and take appropriate countermeasures against all relevant risks.**

VWFSAL must comply with a range of legislative and regulatory requirements in Australia. VWFSAL has a compliance and risk management system that supports VWFSAL's operational business processes, helps to ensure compliance with legislative and regulatory provisions and, where necessary, initiates appropriate countermeasures.

In addition to compliance with law, integrity is a significant element of VWFSAL corporate culture and is one basic success factor of VWFSAL.

VWFSAL has set up measures and activities to make sure that all representatives, managers and employees act integer and in line with VWFSAL Group's Code of Conduct and its internal regulations and standards. The implemented anonymous whistleblower system shall ensure that violations of the law, the Code of Conduct or internal regulations are reported and investigated.

However, there remains a risk that members of VWFSAL governing bodies, employees, authorized representatives or agents may violate applicable laws, regulatory requirements, internal standards and procedures. VWFSAL may not be able to identify such violations, evaluate them correctly or take appropriate countermeasures. Furthermore, VWFSAL's compliance and risk management systems may not be appropriate to its size, complexity and geographical diversification and may fail for various reasons. In addition, on the basis of experience, VWFSAL cannot rule out that, for example in contract negotiations connected with business initiation, members of VWFSAL's governing bodies, employees, authorized representatives or agents have accepted, granted or promised advantages for themselves, VWFSAL or third parties, have applied comparable unfair business practices, or continue to do so. VWFSAL's compliance and risk management system may not be sufficient to prevent such actions.

The occurrence of these risks may result in a reputational loss and various adverse legal consequences, such as the imposition of fines and penalties on VWFSAL or members of its governing bodies or employees, or the assertion of damages claims.

If any of these risks were to materialize, this could have a material adverse effect on VWFSAL's business, net assets, financial condition and results of operations.

**VWFSAL is exposed to interest rate risk.**

In the course of VWFSAL's regular business activities, financial risks may arise from changes in interest rates.

The interest rate risk consists of potential losses from changes in market rates. It arises from non-matching interest periods of a portfolio's assets and liabilities. Interest rate risks are incurred in the balance sheet of VWFSAL. The consequences of unforeseen interest rate changes mainly comprise interest rate losses due to the potential carrying of primarily long-term fixed interest rates on the asset side and short-term interest rates on the liability side.

**The business of VWFSAL requires substantial funding and liquidity, and disruption in VWFSAL's funding sources or access to the capital markets could have a material adverse effect on its business, liquidity, cash flows, financial condition and results of operations.**

Liquidity risk refers to the risk that due payment obligations cannot be met in full or in a timely manner, or - in the case of a liquidity crisis - that refinancing instruments can only be obtained at higher market rates or not at all or assets can only be sold at a discount to market prices. Therefore, liquidity risk describes the risk that required funding cannot be obtained, or can only be obtained at higher costs. It applies to payment obligations arising from the existing portfolio as well as liquidity needs for future business.

VWFSAL's continued operations require access to significant amounts of funding. VWFSAL carries out refinancing separately from Volkswagen Group's liquidity holdings. Nevertheless, VWFSAL regularly receives substantial amounts of funding from Volkswagen Group. Therefore, VWFSAL is dependent on Volkswagen Group's and VWFSAG's liquidity situation.

Historically, VWFSAL has mainly satisfied its funding requirements through the issuance short and long-term debt securities out of money market and capital market programs, bank loans, operating cash flows and the securitization of loan receivables. Therefore VWFSAL is dependent on continued access to these funding sources. VWFSAL seeks to ensure and it remains solvent at all times by holding sufficient liquidity reserves through credit lines, securities, cash reserves.

The diverse access to funding sources may be limited in the future by potential market or regulatory changes in the banking sector. Due to its ongoing funding needs, VWFSAL is also exposed to liquidity risk in the event of prolonged closure of debt or credit markets. The use of committed and uncommitted credit lines with banks to cover liquidity needs depends on the willingness and ability of banks to provide these facilities. VWFSAL relies to a certain degree on the ability to transfer finance and lease assets to newly formed or existing securitization trusts and special purpose vehicles and to sell securities in the asset-backed securities market to generate cash proceeds for repayment of due debt and to grow business.

There can be no assurance that VWFSAL's current financing arrangements will provide it with sufficient liquidity under various market and economic scenarios. A deterioration of the situation on the money and capital markets, a loss of reputation or a decrease in VWFSAG Group's or VWFSAL's creditworthiness could greatly undermine VWFSAL's ability to refinance itself. Even if its assets and available funding arrangements provide VWFSAL with sufficient liquidity, its costs of funding could increase.

If these sources of funding are not available on a regular basis for any reason, including the occurrence of events of default, deterioration in loss experience on the collateral, breach of financial covenants or portfolio and pool performance measures, disruption of the asset-backed market or otherwise, VWFSAL would be required to revise the scale of its business which would have a material adverse effect on their financial position, liquidity and results of operations. In an adverse scenario the inability to service due debt could potentially lead to insolvency.

VWFSAL's liquidity and long-term viability depends on many factors including its ability to successfully raise capital and secure appropriate financing.

As VWFSAL is part of the group of consolidated companies of VWFSAG Group, which is supervised by the European Central Bank, VWFSAL in its consolidated context has to comply with all liquidity regulations that apply for this group.

**The credit ratings of Notes issued by VWFSAL are subject to changes of Volkswagen AG's or VWFSAG's credit ratings. Negative changes to Volkswagen AG's or VWFSAG's credit ratings could adversely affect the credit ratings of securities issued by VWFSAL and in turn VWFSAL's funding costs, financial**

**condition and results of operation.**

VWFSAG is a wholly-owned subsidiary of Volkswagen AG. Due to the strong strategic and economic interlinkage between these two companies, the credit rating of VWFSAG remains strongly dependent on the economic development and on the credit rating of Volkswagen AG. The rating of notes issued by VWFSAL strongly depends on the credit rating of VWFSAG as guarantor of these notes.

VWFSAL's refinancing opportunities may be adversely affected by a rating downgrade or a rating withdrawal of any of VWFSAG's credit ratings, which includes transaction ratings. For example, if VWFSAG's credit ratings worsen, the demand from money and capital market participants for securities issued by VWFSAL and thus the access to these funding sources may reduce. Additionally, a rating downgrade could adversely impact the credit spreads VWFSAL has to pay with regard to all funding instruments used. Consequently, negative changes to VWFSAG's ratings could cause adverse impacts on VWFSAL's financial condition, liquidity, cash flows and result of operations.

Furthermore, a credit rating may not correctly reflect the potential impact of solvency risks of VWFSAG as guarantor or VWFSAL as issuer of notes. The rating agencies that currently, or may in the future, assign a rating to bonds issued by VWFSAL may change their assessment criteria. This could result in a rating action, which is based on such criteria change, but need not necessarily be related to a deterioration or improvement of the solvency of VWFSAG or VWFSAL.

**VWFSAL is exposed to the risk of insufficient insurance coverage that may arise due to higher than expected damages or intentionally uninsured risks.**

VWFSAL has obtained insurance coverage in relation to a number of risks associated with its business activities under Volkswagen Group insurances that are subject to standard exclusions, such as willful misconduct. Where the risks arising from legal disputes and investigations can be assessed, are transparent and economically reasonable, adequate insurance cover is taken out for these risks and appropriate provisions are recognized for the remaining identifiable risks.

However, as some risks cannot be identified or can only be assessed to a limited extent, there is a risk that losses or damages occur which are not covered by insurance and/or provisions. In addition, there are risks left intentionally uninsured based on VWFSAL's cost benefit analysis and VWFSAL therefore has no insurance against these events. As a result, if VWFSAL sustains damages for which there is no or insufficient insurance coverage or encounters restrictions on insurance coverage, the above-described risks may have a material adverse effect on VWFSAL's general business activities, net assets, financial position and results of operations.

**Tax laws and their interpretation may adversely affect the financial condition and results of operations.**

VWFSAL is subject to tax legislation in Australia. Although the tax department, supported by local advisors, monitors the tax situation, there are latent tax risks due to possible modifications or general changes to the tax regime, tax law, accounting principles or other laws of jurisdictions by the competent authorities. Modifications or changes could occur during the lifetime of the assets and liabilities of VWFSAL and may have a material adverse effect on its business, net assets, financial condition and results of operations.

Moreover, VWFSAL is exposed to tax risks, which could arise in particular as a result of tax audits or as a result of past measures. Ongoing or future tax audits may lead to demands for back taxes, tax penalties and / or similar payments. Such payments may arise, for example, from the full or partial non-recognition of intra-group transfer prices. In countries where there are no limitation periods for tax payments, VWFSAL may also face demands for back taxes relating to earlier periods. Taking this under consideration VWFSAL's provisions for tax risks may be insufficient to cover possible settlement amounts. The occurrence of these risks could have a material adverse effect on VWFSAL's net assets, financial position and results of operations.

**VWFSAL could be adversely affected by an event or several successive events that might cause reputational damage.**

Various issues may give rise to reputational risk and cause harm to VWFSAL. Reputational risk denotes the danger that an event or several successive events might cause reputational damage (public opinion), which might limit VWFSAL's current and future business opportunities and activities (potential success) and thus lead to indirect financial losses (customer base, sales, equity, refinancing costs etc.) or direct financial losses (penalties, litigation costs etc.). Damage to VWFSAL's reputation or image could result in a direct effect on the financial success.

The issues that could give rise to reputational risk include product recalls, reputation loss for the Volkswagen Group in general, legal and regulatory requirements, antitrust and competition law issues, ethical issues, money laundering and anti-bribery laws, data protection laws, information security policies, problems with services provided by VWFSAL or by third parties on its behalf. Failure to address these issues appropriately could also

give rise to additional legal risk, which could adversely affect existing litigation claims against VWFSAL and the amount of damages asserted against VWFSAL or subject to additional litigation claims or regulatory sanctions. Any of the above factors could have a material adverse effect on the brand, reputation, business, financial condition and results of operations of VWFSAL.

# Risk Factors regarding the Notes

***The following is a disclosure of risk factors that are material to the Notes issued under the Programme in order to assess the market risk associated with these Notes. Prospective investors should consider these risk factors before deciding to purchase Notes issued under the Programme.***

***Prospective investors should consider all information provided in this Prospectus and the relevant Final Terms and consult with their own professional advisers (including their financial, accounting, legal and tax advisers) if they consider it necessary. In addition, investors should be aware that the risks described may combine and thus intensify one another.***

**1. General risks regarding the Notes**

**Some Notes are complex financial instruments. A potential investor should not invest in Notes unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.**

Each potential investor in Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

(i) have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained or incorporated by reference in this Prospectus or any applicable supplement;

(ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation and the investment(s) it is considering, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;

(iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;

(iv) understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; and

(v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolio. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

**The Notes may be listed or unlisted and no assurance can be given that a liquid secondary market for the Notes will develop or continue. In an illiquid market, an investor may not be able to sell his Notes at any time at fair market prices.**

Application has been made to the Luxembourg Stock Exchange for Notes to be issued under this Prospectus to be admitted to trading on the regulated market of the Luxembourg Stock Exchange and to be listed on the official list of the Luxembourg Stock Exchange. In addition, the Programme provides that Notes may be listed on other or further stock exchanges or may not be listed at all. Regardless of whether the Notes are listed or not, there can be no assurance that a liquid secondary market for the Notes will develop or, if it does develop, that it will continue. The fact that the Notes may be listed does not necessarily lead to greater liquidity compared to unlisted Notes. If the Notes are not listed on any exchange, pricing information for such Notes may, however, be more difficult to obtain which may affect the liquidity of the Notes adversely. In an illiquid market, an investor might not be able to sell his Notes at any time at fair market prices. The possibility to sell the Notes might additionally be restricted by country specific reasons.

**The Holder of Notes is exposed to the risk of an unfavourable development of market prices of its Notes which materializes if the Holder sells the Notes prior to the maturity of such Notes.**

The development of market prices of the Notes depends on various factors, such as changes of market interest rate levels, the policy of central banks, overall economic developments, inflation rates or the lack of or excess demand for the relevant type of Note. The Holder of Notes is therefore exposed to the risk of an unfavourable development of market prices of its Notes which materializes if the Holder sells the Notes prior to the maturity of such Notes. If the Holder decides to hold the Notes until maturity the Notes will be redeemed at the amount set out in the relevant Final Terms.

**If the Issuer has the right to redeem the Notes prior to the Maturity Date, a Holder of such Notes is exposed to the risk that due to early redemption his investment will have a lower than expected yield and/or that the market price of the Notes is negatively affected.**

Early Redemption of the Notes for reasons of taxation will be permitted, if as a result of any amendment to, or change in, the laws or regulations, the relevant Issuer will be required to pay additional amounts. Furthermore, the applicable Final Terms will indicate whether the relevant Issuer may have the right to call the Notes prior to the Maturity Date at the option of the relevant Issuer (optional call right) on one or several dates determined beforehand. If the relevant Issuer redeems any Note prior to the Maturity Date, a Holder of such Notes is exposed to the risk that due to early redemption his investment may have a lower than expected yield. The relevant Issuer might exercise his optional call right if the yield on comparable Notes in the capital market falls which means that the Holder may only be able to reinvest on less favourable conditions as compared to the original investment. In addition, there is a risk that the market price of the Notes may be negatively affected in case the Issuer has or is perceived to have a right to redeem the Notes early.

**A Holder of a Note denominated in a foreign currency is exposed to the risk of changes in currency exchange rates which may affect the yield and/or the redemption amount of such Notes.**

A Holder of Notes denominated in a foreign currency (*i.e.*, a currency other than euro) is particularly exposed to the risk of changes in currency exchange rates which may affect the yield of such Notes. Changes in currency exchange rates result from various factors such as macro-economic factors, speculative transactions and interventions by central banks and governments.

A change in the value of any foreign currency against the euro, for example, will result in a corresponding change in the euro value of Notes denominated in a currency other than in euro and a corresponding change in the euro value of interest and principal payments made in a currency other than in euro in accordance with the terms of such Notes. If the underlying exchange rate falls and the value of the euro correspondingly rises, the price of the Notes and the value of interest and principal payments made thereunder expressed in euro falls.

In addition, government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable currency exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

In respect of Notes providing for Turkish Lira as the specified currency, Holders of such Notes should take into account that foreign exchange rates in emerging markets and consequently the Turkish Lira are subject to particularly high fluctuations, depreciation or even illiquidity. Therefore, the Issuer might in specific circumstances beyond the Issuer's control not be able to fulfill its obligation to pay interest and principal in Turkish Lira. In this case the Issuer may select payment in U.S. Dollar at an U.S. Dollar equivalent of any such Turkish Lira denominated amount.

**The relevant Issuer may at any time, without the consent of the Holders, be substituted as principal debtor in respect of all obligations arising from or in connection with the Notes.**

The Terms and Conditions of the Notes provide that the relevant Issuer may at any time, without the consent of the Holders, substitute for itself either the Guarantor (in case of Notes issued by VWFSNV, VWLGMBH, VWFSJ or VWFSAL) or any other company, more than 90 per cent. of the shares or other equity interest carrying the right to vote of which are directly or indirectly owned by VWFSAG (in the case of Notes issued by VWFSAG) or the Guarantor (in case of Notes issued by VWFSNV, VWLGMBH, VWFSJ or VWFSAL) as principal debtor in respect of all obligations arising from or in connection with the Notes in the circumstances and subject to the conditions set out in § 12 of the Terms and Conditions of the Notes.

**Should the German Act on Issues of Debt Securities apply to the Notes, the Terms and Conditions of such Notes may be modified by resolution of the Holders passed by the majority stated in the relevant Terms and Conditions, or, as the case may be, stipulated by the German Act on Issues of Debt Securities. Holders therefore bear the risk that the initial Terms and Conditions of the Notes may be modified to their individual disadvantage.**

The Terms and Conditions may provide for the application of the German Act on Issues of Debt Securities (*Schuldverschreibungsgesetz*) dated 31 July 2009 ("**German Act on Issues of Debt Securities**") to the Notes. In such a case the Terms and Conditions may be modified by resolution of the Holders passed by the majority

stipulated by the German Bond Act. Holders are subject to the risk of being outvoted by a majority resolution of the Holders. As resolutions properly adopted are binding on all Holders, certain rights of such Holder against the Issuer under the Terms and Conditions may be amended or reduced or even cancelled. Holders therefore bear the risk that the initial Terms and Conditions may be modified to their individual disadvantage.

Furthermore, if the Notes provide for the appointment of a Common Representative, either in the Terms and Conditions or by a majority resolution of the Holders, it is possible that a Holder may be deprived of its individual right to pursue and enforce its rights under the Terms and Conditions against the Issuer, such right passing to the Common Representative who is then exclusively responsible to claim and enforce the rights of all Holders.

**Potential purchasers and sellers of the Notes may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions.**

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred to or of other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for innovative financial instruments such as the Notes. In addition, potential purchasers are advised to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, sale and redemption of the Notes. Only these advisors are in a position to duly consider the specific situation of the potential investor.

**Holders of the Notes may not be entitled to receive grossed-up amounts to compensate for tax, duty, withholding or other payment.**

All payments made by the Issuer in respect of the Notes may be made subject to any tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted as further specified in the Final Terms. Holders may not be entitled to receive grossed-up amounts to compensate for tax, duty, withholding or other payment.

**The acquisition of the Notes might be subject to legal restrictions which may affect the validity of the purchase.**

Potential purchasers of the Notes should be aware that the acquisition of the Notes might be subject to legal restrictions potentially affecting the validity of the purchase. Neither the Issuer, the Dealers nor any of their respective affiliates has or assumes responsibility for the acquisition of the Notes by a prospective purchaser of the Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different). A prospective purchaser may not rely on the Issuer, the Dealers or any of their respective affiliates in connection with its determination as to the legality of its acquisition of the Notes.

**Even if the Notes may have the benefit of an unconditional and irrevocable guarantee there can be no assurance that the proceeds from the enforcement of the Guarantee will be sufficient to satisfy the obligations under the Notes.**

Notes issued by VWFSNV, VWLGMBH, VWFSJ or VWFSAL will have the benefit of a guarantee by VWFSAG which constitutes a contract for the benefit of the Holders as third party beneficiaries in accordance with § 328 paragraph 1 BGB (German Civil Code). As a consequence, each Holder will have the right require performance of the obligations undertaken herein directly from the Guarantor and to enforce such obligations directly against the Guarantor. The Guarantee will be governed by German law and the courts of Frankfurt am Main, Germany, will have non-exclusive jurisdiction for any action or other legal proceedings in connection with the Guarantee. Holders should be aware that the enforcement of rights with the help of a German court is subject to an advance of court fees and, if the relevant Holder is a foreign person domiciled outside the European Union, to the posting of a bond for statutory attorney's fees incurred by the defendant. In addition, upon request of the court, documents which are not in the German language will have to be translated into German to be admissible evidence in the German courts which could cause delays in the enforcement of the Holder's rights. There can be no assurance that the proceeds from the enforcement of the Guarantee will be sufficient to satisfy the obligations under the Notes.

**A Holder of Notes linked to a reference rate is exposed to the risk that changes to the reference rates as a result of the regulation and reform of Benchmarks could have a material adverse effect on the market value of and the yield on any Notes linked to such a reference rate. In this respect, Holders should note that the original reference rate may be replaced with a successor reference rate and may furthermore be subject to the risk of early redemption if in the case of a benchmark event such a replacement fails.**

If, on any day on which a valuation or determination in respect of a reference rate is to be made, the relevant reference rate is not available, then the Calculation Agent will determine the floating rate using a methodology as

further specified in the provision on the determination of the relevant screen page in the Terms and Conditions for Floating Rate Notes and Fixed to Floating Rate Notes. There is a risk that the determination of the floating rate using any of these methodologies may result in a lower interest rate payable to the Holders of the Notes than the use of other methodologies. Notwithstanding these alternative arrangements, the discontinuance of the relevant reference rate may adversely affect the market value of the Notes.

The London Interbank Offered Rate ("**LIBOR®**") and the Euro Interbank Offered Rate ("**EURIBOR®**") or another reference rate as specified in the Final Terms, which are deemed benchmarks (each a "**Benchmark**" and together the "**Benchmarks**"), are the subject of recent national, international and other regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. Key international proposals for reform of "benchmarks" include (amongst others: IOSCO's Principles for Financial Market Benchmarks (July 2013) (the "**IOSCO Benchmark Principles**"), the EU Regulation on indices used as Benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (the "**Benchmark Regulation**") is applicable since 1 January 2018 and the transposition, proposed by the UK's Financial Conduct Authority (the "**FCA**"), away from LIBOR to one or more alternative Benchmarks. While the IOSCO Benchmark Principles are intended to provide a general framework of overarching principles applicable to Benchmarks (such as principles in relation to quality, transparency and methodologies), the Benchmark Regulation seeks to introduce a general requirement of regulatory authorisation for Benchmark administration and in particular a ban of use of "benchmarks" of unauthorised administrators. Thus, a Benchmark could not be used as such if its administrator does not obtain authorisation or does not register or is based in a non-EU jurisdiction which (subject to applicable transitional provisions) does not satisfy the equivalence conditions, is not recognised pending such decision or is not endorsed for that purpose.

In July 2017 and following the implementation of such reforms, the FCA regulating the LIBOR announced that it does not intend to continue to encourage, or use its power to compel, panel banks to provide rate submissions for the calculation of the LIBOR Benchmark beyond the end of 2021 and that, as a result, there can be no guarantee that LIBOR will be determined after 2021 on the same basis as at present, if at all. At this time, it is not possible to predict the effect of any such changes, any establishment of alternative reference rates or any other reforms to LIBOR that may be implemented in the United Kingdom or elsewhere.

Similarly, also other interbank offered rates, in particular EURIBOR (together with LIBOR, the "**IBORs**") suffer from weaknesses similar to LIBOR. For example, the European Money Markets Institute ("**EMMI**") announced the publication of the second stakeholder consultation on the hybrid methodology for EURIBOR on 17 October 2018 and published its summary on the consulation on a hybrid methodology together with a blueprint for the methodology in February 2019. This is part of EMMI's commitment to deliver a reformed and robust methodology for EURIBOR, which aims to meet regulatory and stakeholder expectations in a timely manner. EMMI expects to file for authorization to the Belgian Financial Services and Markets Authority by Q2 2019. Subsequently, EMMI will transition panel banks from the current EURIBOR methodology to the hybrid methodology, with a view of finishing the process before the end of 2019, however, the outcome of the EURIBOR reform remains uncertain, as is the question whether the reformed EURIBOR may be used as a reference interest rate under the Benchmark Regulation or other applicable laws or guidelines regulating Benchmarks. Holders of Notes should note that such changes to the EURIBOR might trigger the fallback mechanisms set out in the Terms and Conditions for the determination of a successor reference rate so that the reformed EURIBOR will apply to the Notes. Further, should a reformed EURIBOR be adopted, such reformed EURIBOR may perform differently than EURIBOR did prior to its reform as a result of the changes in methodology, which may have negative impacts on the yield on, or the market value or liquidity of Notes referencing EURIBOR.

Potential investors of Notes should, however, note that whilst alternatives to certain IBORs (including Sterling Overnight Index Average ("**SONIA**") and rates that may be derived from SONIA) are being developed, in the absence of any legislative measures, outstanding Notes linked to or referencing an IBOR will only transition away from such IBOR in accordance with their particular terms and conditions. In particular, as a result of these reforms, market participants may be discouraged from continuing to administer or participate certain Benchmarks or may initiate amendments to the respective rules and methodologies. Thus, such reforms may cause such Benchmarks to perform differently than in the past, or disappear entirely, or have other consequences which cannot be predicted. It should be noted that if a Benchmark is discontinued or otherwise unavailable, the rate of interest for Notes which are linked to such Benchmark will be determined for the relevant period by the fall-back provisions applicable to such Notes which might amongst others lead to the following risks:

- In the case of a benchmark event as set out in the Terms and Conditions of Floating Rate Notes and Fixed to Floating Rate Notes (i.e. a termination of, material methodological change in relation to, or prohibition on the use of, the relevant reference rate for the interest rate), the application of such fall-back provisions might result in a replacement of the original reference rate by a successor reference rate. However, as alternative or reformed reference rates are still in the process of being developed, there can be no assurance that an appropriate successor reference rate will be available and determined in such a situation and, if determined, that the successor reference rate will generate interest payments under the Notes resulting in the Holder of the Notes receiving the same yield that he would have

received had the original reference rate been applied for the remaining life of the Notes.

- Furthermore, Holders of Floating Rate Notes and Fixed to Floating Rate Notes should pay attention whether the applicable Terms and Conditions provide for an early redemption for reason of a benchmark event (i.e. a termination of, material methodological change in relation to, or prohibition on the use of, the relevant reference rate for the interest rate). If this is the case, the Issuer has the right to call the Notes prior to their maturity date which might trigger the risks set out in the risk factor *"If the Issuer has the right to redeem the Notes prior to the Maturity Date, a Holder of such Notes is exposed to the risk that due to early redemption his investment will have a lower than expected yield and/or that the market price of the Notes is negatively affected."*
- If, in the case of a benchmark event, a successor reference rate will not be determined and if the Issuer does not make use of its early redemption right to redeem the Notes, interest payable under the Notes will be determined in reliance on the ordinary fallback mechanism, pursuant to which the Calculation Agent will request reference banks to provide quotations for the relevant Benchmark. This could in the end result in the same rate being applied until maturity of the respective Notes, effectively turning the floating rate of interest into a fixed rate of interest.

Any such consequence or further consequential changes to LIBOR, EURIBOR or any other reference rate as a result of the regulation and reform of Benchmarks, could have a material adverse effect on the costs of refinancing a Benchmark and on the market value of and yield on any Notes linked to such a reference rate.

**2. Risks regarding Fixed Rate Notes (Option I of the Terms and Conditions)**

**A Holder of a Fixed Rate Note is exposed to the risk that the price of such Note falls as a result of changes in the market interest rate. It is possible that the yield of a Fixed Rate Note at the time of the issuance is negative, in particular if the interest rate is zero per cent. or close to zero per cent., and/or if the issue price is higher than 100 per cent. of the principal amount.**

A Holder of Fixed Rate Notes is exposed to the risk that the price of such Notes falls as a result of changes in the market interest rate. While the nominal interest rate of Fixed Rate Notes as specified in the applicable Final Terms is fixed during the life of such Notes, the current interest rate on the capital market ("**Market Interest Rate**") typically changes on a daily basis. As the Market Interest Rate changes, the price of Fixed Rate Notes also changes, but in the opposite direction. If the Market Interest Rate increases, the price of Fixed Rate Notes typically falls, until the yield of such Notes is approximately equal to the Market Interest Rate of comparable issues. If the Market Interest Rate falls, the price of Fixed Rate Notes typically increases, until the yield of such Notes is approximately equal to the market interest rate of comparable issues. If the Holder of Fixed Rate Notes holds such Notes until maturity, changes in the Market Interest Rate are without relevance to such Holder as the Notes will be redeemed at a specified redemption amount, usually the principal amount of such Notes.

A Holder of Fixed Rate Notes should also be aware that the Final Terms may provide that the nominal interest rate of a Fixed Rate Note is fixed at zero per cent. until the maturity date. Moreover, the Final Terms may specify an issue price higher than 100 per cent. of the principal amount of the Fixed Rate Notes. As a consequence, it is possible that the yield of the Fixed Rate Notes at the time of the issuance is negative, in particular if the interest rate is zero per cent. or close to zero per cent.

**A Holder of a Zero Coupon Note is exposed to the risk that the price of such Note falls as a result of changes in the market interest rate. Prices of Zero Coupon Notes are more volatile than prices of Fixed Rate Notes and are likely to respond to a greater degree to market interest rate changes than interest bearing notes with a similar maturity.**

Zero Coupon Notes do not pay current interest but are issued at a discount from their nominal value. Instead of periodical interest payments, the difference between the redemption price and the issue price constitutes interest income until maturity and reflects the Market Interest Rate. A Holder of Zero Coupon Notes is exposed to the risk that the price of such Notes falls as a result of changes in the Market Interest Rate. Prices of Zero Coupon Notes are more volatile than prices of Fixed Rate Notes and are likely to respond to a greater degree to Market Interest Rate changes than interest bearing notes with a similar maturity.

**3. Risks regarding Floating Rate Notes (Option II of the Terms and Conditions)**

**A Holder of a Floating Rate Note is exposed to the risk of fluctuating interest rate levels which make it impossible to determine the yield of Floating Rate Notes in advance and to the risk of uncertain interest income. The market value of structured Floating Rate Notes may be more volatile than for conventional Floating Rate Notes.**

Floating Rate Notes tend to be volatile investments. A Holder of Floating Rate Notes is exposed to the risk of fluctuating interest rate levels and uncertain interest income. Fluctuating interest rate levels make it impossible to determine the profitability of Floating Rate Notes in advance. Floating Rate Notes may be structured to include caps and/or floors. In such case, the market value may be more volatile than those for Floating Rate Notes that do not include these features. The effect of a cap is that the amount of interest will never rise above and beyond the predetermined cap, so that the Holder will not be able to benefit from any actual favourable development beyond the cap. The yield could therefore be considerably lower than that of similar Floating Rate Notes without a cap. Neither the current nor the historical value of the relevant floating rate should be taken as an indication of the future development of such floating rate during the term of any Notes.

Even though the relevant reference rate can be zero or even negative the floating interest rate can never be negative, i.e. less than zero. However, if the relevant reference rate is negative, it will still form the basis for the calculation of the interest rate. This means that a positive margin – if applicable – may be lost in whole or in part when such positive margin is added to a negative reference rate. In such case the floating interest rate for the relevant interest period might be zero and the Holder of a Floating Rate Note might not receive any interest during such interest period.

**4. Risks regarding Fixed to Floating Rate Notes (Option III of the Terms and Conditions)**

**A Holder of a Fixed to Floating Rate Note is exposed to the risks associated with Fixed Rate Notes and additionally to the risks associated with Floating Rate Notes. As a result the Holder may be exposed to a higher risk.**

Fixed to Floating Rate Notes provide for a term where such Notes bear a fixed interest rate and a subsequent term where such Notes bear a variable interest rate. Therefore, all risks associated with Fixed Rate Notes **and** with Floating Rate Notes apply to such Notes and have to be taken into account when buying a Fixed to Floating Rate Note. As a result of the combination of fixed and variable interest, Fixed to Floating Rate Notes may bear a higher risk than Fixed Rate Notes or Floating Rate Notes individually.

# Volkswagen Financial Services Aktiengesellschaft as Issuer and Guarantor

**History and Development**

VWFSAG was incorporated through the transformation of Volkswagen Finanz GmbH into VWFSAG in accordance with the resolution of the general meeting of shareholders of Volkswagen Finanz GmbH held on 2 March 1994; the name of Volkswagen Finanz GmbH was changed accordingly. The transformation and the change of name were registered in the commercial register of the local court (*Amtsgericht*) of Braunschweig on 4 May 1994.

VWFSAG was incorporated and registered in the commercial register of the local court of Braunschweig under number HRB 3790. The registered office is located in Braunschweig and its head office is at Gifhorner Straße 57, 38112 Braunschweig, Federal Republic of Germany (phone +49 531 212-3071 (Investor Relations) or +49 531 212-0 (Main Desk)). VWFSAG operates under the laws of the Federal Republic of Germany. The Legal Entity Identifier (LEI) of VWFSAG is: 529900USFSZYPS075O24.

**Articles of Association**

The object of the enterprise is, as set forth in Article 2 of its Articles of Association, the development, the sale and the processing of own and third party financial services at home and abroad, which are suitable for serving the promotion of the business of Volkswagen AG and the companies affiliated therewith, as defined in the Articles of Association of VWFSAG.

VWFSAG is authorised to carry out all business and to take all actions which are connected with its purpose or which promote, directly or indirectly, the purpose of Volkswagen AG.

In addition, VWFSAG is authorised to establish domestic and foreign subsidiaries and to establish, acquire or participate in other companies.

**Investments**

The board of management plans an investment of € 500 million to expand worldwide digital sales channels for financial services within the next years. Out of this budget the development of digital financial services activities within VWFSAG Group has been and will be financed.

**Organisational Structure / Major Shareholders**

VWFSAG is a wholly-owned subsidiary of Volkswagen Aktiengesellschaft, Wolfsburg, Federal Republic of Germany ("**VW AG**"). VW AG is the controlling company of the Volkswagen Group ("**VW Group**") which consists of numerous subsidiaries and affiliates in the Federal Republic of Germany and abroad. VW Group consists of six operational units: "Volume", "Premium", "Super Premium", "Truck & Bus", "Procurement/Components" and "Financial Services" as well as the region China. The Financial Services unit where VWFSAG belongs to combines dealer and customer financing, leasing, banking and insurance activities, fleet management and mobility offerings.
The following table shows the structural relationship in the VW Group:

| Volume | Premium | Sport & Luxury | Truck & Bus | Procurement/ Components | Finance & IT | China |
|---|---|---|---|---|---|---|
| VW | Audi | Porsche | MAN | Procurement | VOLKSWAGEN FINANCIAL SERVICES | Region China |
| Škoda | Lamborghini[1)] | Bentley | Scania | Components | | |
| SEAT | Ducati[1)] | Bugatti | Power Engineering[1)] | | | |
| VW LCV | | | | | | |
| MOIA | | | | | | |

* Allocation to be verified

VW AG's subscribed capital amounted to € 1,283,315,873.28 as of 31 December 2018. The shareholder structure of VW AG as of 31 December 2018 is shown in the following chart.

**Shareholder Structure**
at 31 December 2018 as a percentage of subscribed capital*

*All figures shown are rounded, so minor discrepancies may arise from addition of these amounts

The distribution of voting rights for the 295,089,818 ordinary shares was as follows at the reporting date: Porsche Automobil Holding SE, Stuttgart, held 52.2% of the voting rights. The second-largest shareholder was the State of Lower Saxony, which held 20.0% of the voting rights. Qatar Holding LLC was the third-largest shareholder, with 17.0%. The remaining 10.8% of ordinary shares were attributable to other shareholders.

Notifications of changes in voting rights in accordance with the Wertpapierhandelsgesetz (WpHG – German Securities Trading Act) are published on our website at www.volkswagenag.com/en/InvestorRelations/news-and-publications.html.

A control and profit and loss transfer agreement between VW AG and VWFSAG came into effect on 25 September 1996 and has since then been amended and restated. According to this agreement, VW AG is entitled to instruct VWFSAG's management board. VWFSAG is obliged to transfer its annual profit to VW AG after the end of each financial year. VW AG is obliged to compensate any occurring annual deficit of VWFSAG insofar as such deficit cannot be compensated by a withdrawal from the so-called "other retained earnings" of any sums which were allocated thereto during the term of the agreement.

Simultaneously, equivalent profit and loss transfer as well as control and profit and loss transfer agreements exist between VWFSAG and various German based subsidiaries.

In 2016, Volkswagen Financial Services AG initiated a reorganisation of its structures under company law. On 3 January 2017 VWAG and VWFSAG notarised the spin-off agreement as regards the spin-off of 100 percent of shares in VW Bank and the existing profit and loss transfer agreement (*Ergebnisabführungsvertrag*) from VWFSAG to VWAG. VWFSAG and VW Bank signed on 23 May 2017 a control agreement which was registered in the commercial register and became effective on 2 June 2017. Also on 2 June 2017 the spin-off agreement between VWAG and VWFSAG regards the spin-off of the control agreement from VWFS AG to VWAG was notarised. Each spin-off took (i) retroactive economic effect as of 1 January 2017 (*Abspaltungsstichtag*) and (ii) effect *in rem* upon registration with the commercial register of VWFSAG on 1 September 2017. Therewith Volkswagen Financial Services AG's subsidiary Volkswagen Bank GmbH was transferred to become a direct subsidiary of Volkswagen AG. The aim of the restructuring was to segregate the European lending and deposits business from the other financial services activities and to pool this business under Volkswagen Bank GmbH, structured as a direct subsidiary of Volkswagen AG. The intention of the restructuring is to increase transparency and clarity for supervisory authorities, optimize the use of equity and reduce complexity. The next few years will see further changes in the international subsidiaries within the European Economic Area as part of the progress toward the target structure.

In this context, VW Bank may in the following years transfer some of its asset portfolios to existing or new established branches. Furthermore, some portfolio allocations back to VWFSAG Group may be initiated in order to finalise and stabilise the new business structures for both Groups. The most relevant portfolio with regard to a potential re-allocation belongs to the United Kingdom. This portfolio of Volkswagen Financial Services UK carries a substantial amount of assets and liabilities and has been transferred from VW Bank to VWFSAG on 29 March 2019 (with effect from 01 January 2019).

As a consequence of the restructuring neither on group nor on single company level VWFSAG is subject to regulatory supervision. However within VWFSAG group certain companies are supervised by local regulators.

VWLGMBH is supervised by BaFin as financial services institution and VW Versicherung AG is supervised by BaFin as insurance company. Moreover certain foreign entities within VWFSAG Group are supervised by foreign regulatory authorities.

**Share Capital**

As at the date of the Prospectus, the subscribed capital of VWFSAG amounted to EUR 441,280,000 divided into 441,280,000 no-par-value shares. The shares are fully paid-up and are in bearer form.

**The Diesel Issue**

*Information relating to the diesel issue described herein with regards to Volkswagen Group is based on public information and is subject to change. The Issuer has not independently verified any such information.*

On September 18, 2015, the U.S. Environmental Protection Agency ("**EPA**") publicly announced in a "Notice of Violation" that irregularities in relation to nitrogen oxide ("**NOx**") emissions had been discovered in emissions tests on certain vehicles of Volkswagen Group with type 2.0 l diesel engines in the United States. In this context, Volkswagen AG announced that noticeable discrepancies between the figures achieved in testing and in actual road use had been identified in around eleven million vehicles worldwide with type EA 189 diesel engines (2.0 liter and 3.0 liter four-cylinder engines). The vast majority of these engines were type EA 189 Euro 5 engines. On November 2, 2015, the EPA issued a "Notice of Violation" alleging that irregularities had also been discovered in the software installed in U.S. vehicles with Generation 1 and Generation 2 six-cylinder (V6) 3.0 l diesel engines.

Numerous court and governmental proceedings were subsequently initiated in the United States, Canada (which has the same NOx emissions limits as the U.S.), Germany and the rest of the world. Volkswagen was able to end many significant court and governmental proceedings in the United States by concluding settlement agreements. Outside the United States, Volkswagen also reached agreements with regard to the implementation of technical measures with numerous authorities. Alongside the U.S. and Canadian proceedings there are ongoing criminal, administrative, investor and consumer and/or product-related proceedings in relation to the diesel issue in Germany and other countries, including class actions in some jurisdictions.

In the United States, Volkswagen AG, AUDI AG, Volkswagen Group of America, Inc. and certain affiliates reached settlement agreements with (i) the U.S. Department of Justice ("**DoJ**") on behalf of the EPA and the State of California on behalf of the California Air Resources Board ("**CARB**") and the California Attorney General, (ii) the U.S. Federal Trade Commission, and (iii) private plaintiffs represented by a Plaintiffs' Steering Committee in a multi-district litigation in California. The settlement agreements resolved certain civil claims made in relation to affected diesel vehicles in the United States. Depending on the type of diesel engine, under the settlement agreements Volkswagen provides for, inter alia, free emissions modification of vehicles, buy-backs/trade-ins or early lease terminations. Volkswagen will also make cash payments to affected current owners or lessees as well as certain former owners or lessees. Several thousand consumers have opted out of the settlement agreements, and many of these consumers have filed civil lawsuits seeking monetary damages for fraud and violations of state consumer protection acts. Moreover, Volkswagen AG also entered into agreements to resolve U.S. federal criminal liability relating to the diesel issue. As part of its plea agreement, Volkswagen AG has pleaded guilty to three felony counts under United States law – including conspiracy to commit fraud, obstruction of justice and using false statements to import cars into the United States – and has been sentenced to three years' probation. In the event of non-compliance with the terms of the plea agreement, Volkswagen could face further penalties and prosecution. Investigations by various U.S. regulatory and other government authorities, including in areas relating to securities, tax and financing, are ongoing.
In addition, criminal investigations/misdemeanor proceedings have been opened in Germany (for example, by the public prosecutor's offices in Braunschweig and Munich) and other countries. Some of these proceedings have been terminated, with the authorities issuing administrative notices imposing fines on Volkswagen Group companies.

A number of authorities have also initiated investigations against several current and former Volkswagen AG Board of Management members and employees regarding their possible involvement in the diesel issue, including potential market manipulation. In May 2018, U.S. federal prosecutors unsealed charges in Detroit against, among others, former Volkswagen CEO Martin Winterkorn, which had been filed under seal in March 2018. Mr. Winterkorn is charged with a conspiracy to defraud the United States, to commit wire fraud, and to violate the Clean Air Act from at least May 2006 through at least November 2015, as well as three counts of wire fraud. Should these investigations result in adverse findings against the individuals involved, this could have a negative impact on the outcome of other proceedings against Volkswagen or could have other material adverse financial consequences.

The diesel-related investigations resulted and may further result in additional assessments of monetary penalties and other adverse consequences. The timing of the release of new information on the investigations and the maximum amount of penalties that may be imposed cannot be reliably determined at present. New information on

these topics may arise at any time, including after the offer, sale and delivery of the Notes. In addition to ongoing extensive investigations by governmental authorities in various jurisdictions worldwide (the most significant being in Europe, the United States and South Korea), further investigations could be launched in the future and existing investigations could be expanded. Ongoing and future investigations may result in further legal actions being taken against Volkswagen Group.

In the context of the diesel issue, various and significant regulatory, criminal and civil proceedings are currently pending against Volkswagen AG and other Volkswagen Group companies in several jurisdictions worldwide. These proceedings include product and investor-related lawsuits and comprise individual and collective actions. Further claims can be expected. Should these actions be resolved in favor of the claimants, they could result in significant civil damages, fines, the imposition of penalties, sanctions, injunctions and other consequences.
Volkswagen is working intensively to eliminate the emissions level deviations through technical improvements and is cooperating with the relevant agencies. A final decision has not been made regarding all necessary technical remedies for the affected vehicles. If the technical solutions implemented by Volkswagen in order to rectify the diesel issue are not implemented in a timely or effective manner or have an undisclosed negative effect on the performance, fuel consumption or resale value of the affected vehicles, regulatory proceedings and/or customer claims for damages could be brought in the future.

Since 2016, AUDI AG has been checking all diesel concepts for possible discrepancies and retrofit potentials. This has been done in close cooperation with the authorities, especially the German Federal Ministry of Transport and the German Federal Motor Transport Authority (*Kraftfahrt-Bundesamt*, the "**KBA**"). The measures proposed by AUDI AG have been adopted and mandated in various recall notices issued by the KBA for vehicle models with V6 and V8 TDI engines. On July 21, 2017, AUDI AG offered a software-based retrofit program for up to 850,000 vehicles with V6 and V8 TDI engines meeting the Euro 5 and Euro 6 emission standards in Europe and other markets except the United States and Canada. Currently, AUDI AG assumes that the total cost, including the amount based on recalls, of the ongoing largely software based retrofit program that began in July 2017 will be manageable and has recognized corresponding balance-sheet risk provisions. The measures submitted by AUDI AG are being examined by the KBA and can only be made available to customers after corresponding approval by the KBA.

In addition, AUDI is responding to requests from the U.S. authorities for information regarding automatic gearboxes in certain vehicles. Further field measures with financial consequences can therefore not be ruled out completely at this time.

Any of the above-described negative developments could result in substantial additional costs and have a material adverse effect on Volkswagen's business, financial position, results of operations, and reputation as well as on the prices of its securities and its capability to make payments under its securities, including the Notes.

**Business Overview**

*Principal Activities*
All financial services companies of the VW Group operating in Europe (excl. Scania financial services activities, Porsche Holding Salzburg financial services activities and Volkswagen Bank GmbH and it's subsidiaries), in Asia-Pacific and in Latin America are combined under the management of VWFSAG. The tasks of VWFSAG Group are primarily of a strategic nature, but also have a service function for the affiliated companies. Core business spheres are financing, leasing, insurance, fleet management and mobility services.

Over the years, the companies in the VWFSAG Group have evolved increasingly dynamically into providers of comprehensive mobility services. The key objectives of VWFSAG include:
> to promote Group product sales for the benefit of the Volkswagen Group brands and the partners appointed to distribute these products;
> to strengthen customer loyalty to VWFSAG Group and the Volkswagen Group brands along the automotive value chain (among other things, by targeted use of digital products and mobility solutions);
> to create synergies for the Group by pooling Group and brand requirements in relation to finance and mobility services;
> to generate and sustain a high level of return on equity for the Group.

The companies of the VWFSAG Group provide financial services to the following customer groups: private/corporate customers and fleet customers. The close integration of marketing, sales and customer service focused on customers' needs goes a long way towards keeping VWFSAG Group's processes lean and its sales strategy efficient. VWFSAG Group consolidated all aftersales matters in a separate key account structure for purposes of exploiting the services business to optimal effect.
There is a direct relationship between the auto sales development and VWFSAG Group's performance. Since the Financial Services business (financing and leasing) is mainly a portfolio business which is based on average contract durations of three to four years, automotive sales development has a delayed impact on VWFSAG Group's performance. In addition, VWFSAG Group has developed new business fields such as insurance and

services/maintenance and used car business, where the latter is not directly influenced by automotive sales. For the fleet management business VWFSAG is acting as a full service provider. The fleet customer is also focused on service and maintenance. Consequently, the influence of automotive sales is also lower here.

Fundamental decisions relating to strategy and the instruments of risk management are the responsibility of the Board of Management. As part of this overall responsibility, the Board of Management has introduced a strategy process and drawn up a business and risk strategy. The ROUTE2025 business strategy sets out the fundamental views of the Board of Management of Volkswagen Financial Services AG on key matters relating to business policy. It includes the objectives for each major business activity and the strategic areas for action to achieve the relevant objectives.

The main risk management goals and measures for each category of risk are concerned by business policy focus and risk appetite. The attainment of goals is reviewed annually and any variances are analyzed to establish the causes. As a result of the deconsolidation of Volkswagen Bank GmbH in 2017, Volkswagen Financial Services AG no longer falls within the scope of banking supervision.

A new global cross-company efficiency program was launched in 2018. The name of this program is Operational Excellence (OPEX).
It is focused on achieving further cost savings by 2025 in addition to the requirements under current planning. The main components are action plans to enhance productivity (among other things by streamlining processes), IT measures (including the global introduction of standardized systems) and the optimization of selling costs.

An internal control system based on a Three-Lines-of-Defense model has been set up to manage risk in the Volkswagen Financial Services AG Group following the changes implemented on September 1, 2017. This structure functions as a monitoring and control system for risk. The system comprises a framework of risk principles, organisational structures and processes for assessing and monitoring risks. The individual elements are tightly focused on the activities of the individual divisions. This structure makes it possible to identify at an early stage any trends that could represent a risk to the business as a going concern so that appropriate corrective action can then be initiated.

One of the functions of the ICS Steering unit is to provide framework constraints for the organisation of the risk management system. This function includes drawing up and coordinating risk policy guidelines (to be carried out by the risk owner), developing and maintaining methodologies and processes relevant to risk management as well as issuing international framework standards for the procedures to be used around the world.

The digitalisation of the business represents a significant opportunity for VWFSAG Group. The aim is to ensure that all products are also available online around the globe by 2025, thereby enabling VWFSAG Group to enhance efficiency. By expanding digital sales channels, VWFSAG Group is promoting direct sales and facilitating the development of a platform for used vehicle finance. VWFSAG Group therefore is addressing the changing needs of customers and strengthening its competitive position.

*Mobility Concepts*
Global trends and changing social and political conditions are permanently changing the mobility needs of a large number of people. The megatrends toward urbanization, digitalisation and sustainability are giving rise to a need for mobility on demand.

In response to these developments, VWFSAG Group has defined mobility as a fixed component of its corporate strategy. For this reason, VWFSAG Group significantly stepped up the development of new mobility services in close consultation with the Volkswagen Group brands. In this regard, a new area of focus in the range of mobility services for the customers of the brands and VWFSAG is a smartphone app providing a parking payment service. The service provides users with an easy-to-use cashless method of paying for parking spaces, either on the street in urban areas or in parking facilities that offer this method of payment. The further development of specific mobility services will enable VWFSAG Group to continue to safeguard the future viability of the existing business model and to meet the future.

In context of the reorganization measures, VW Bank transfered some of its asset portfolios and may in the following years transfer further asset portfolios to existing or new established branches. Furthermore, some portfolio allocations back to VWFSAG Group may be initiated in order to finalise and stabilise the new business structures for both Groups. The most relevant portfolio with regard to a re-allocation belongs to the United Kingdom. This portfolio of Volkswagen Financial Services UK carries a substantial amount of assets and liabilities and was transferred from VW Bank to VWFSAG on 29 March 2019 and with effect from 01 January 2019.

*Principal Markets*
According to the internal steering concept, the global activities of VWFSAG Group are allocated across five regions: Region Germany, Region Europe, Region International, Region China and Region Latin America.

*Region Germany*

*Region Europe* comprises Austria, Belgium, Denmark, Estonia, France, Hungary, Ireland, Italy, Latvia, Lithuania, Norway, Poland, Portugal, Romania, Russia, Slovakia, Slovenia, Spain, Switzerland, The Netherlands, Turkey, Ukraine and United Kingdom.

*Region International* comprises Australia, India, Japan, South Korea and South Africa.

*Region China* comprises companies in China, Malaysia, Singapore and Taiwan.

*Region Latin America* comprises Argentina, Brazil, Chile and Mexico.

**Selected Financial Information**

The following table shows selected financial information of VWFSAG Group extracted from the published audited consolidated financial statements as at and for the financial years ended 31 December 2017 and 2018 prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU:

Balance sheet data

| | 31 December 2018 | 31 December 2017 |
|---|---|---|
| | in EUR million | |
| Total Assets | 80,462 | 68,953 |
| Receivables from customers attributable to | | |
| Retail financing | 16,676 | 16,269 |
| Dealer financing | 4,062 | 3,584 |
| Leasing business | 19,760 | 18,809 |
| Leased Assets | 13,083 | 11,571 |
| Customer deposits | 75 | 69 |
| Equity | 8,016 | 7,624 |

Income statement data

| | **1 January – 31 December** | |
|---|---|---|
| | **2018** | **2017** |
| | in EUR million | |
| Pre-tax result | 818 | 643 |
| Taxes on income and earnings | -270 | –122 |
| Net income | 548 | 904 |
| Operating profit[5] | 844 | 609 |

Further financial indicators

[5] The operating profit is an indicator to measure the performance in the core business.

| | 31 December 2018 | 31 December 2017 |
|---|---|---|
| Return on equity (per cent.)[6] | 10.5 | 8.4 |
| Equity ratio (per cent.)[7] | 10.0 | 11.1 |
| Cost income ratio (per cent.)[8] | 59 | 68 |

**Administrative, Management and Supervisory Bodies**

*Board of Management*

As at the date of this Prospectus, members of the Board of Management of VWFSAG are:

Lars Henner Santelmann, Chairman, Sales and Marketing

Dr. Mario Daberkow, IT and Processes

Frank Fiedler, Finance

Christiane Hesse, Human Resources, Organization

*Supervisory Board*

As at the date of this Prospectus, members of the Supervisory Board are:

Frank Witter, Chairman
Member of the Board of Management of VW AG
Finance and IT

Dr. Arno Antlitz, Deputy Chairman
Member of the Board of Management Volkswagen Brand
Controlling and Accounting

Daniela Cavallo
Deputy Chairwoman of the General and Group Works Council VW AG

Joachim Drees
Chairman of the Board of Management MAN SE and MAN Truck & Bus AG

Michael Grosche
Executive Director Fleet, Mobility and Remarketing
VWFS AG

Andreas Krauß
Executive Director of the Joint Works Council of VWFSAG, Volkswagen Bank GmbH and Euromobil Autovermietung GmbH

Imelda Labbé
Executive Director After Sales Volkswagen AG

Simone Mahler
Chairwoman of the Joint Works Council of VWFSAG, Volkswagen Bank GmbH and Euromobil Autovermietung GmbH

[6] The return on equity is an indicator to measure the profitability. It is calculated by dividing the profit before tax (EUR million 818 for 2018) by the average equity (EUR million 7,820 for 2018).

[7] The equity ratio is an indicator to measure the capital strength.

[8] The cost income ratio is an indicator to measure the efficiency. It can be recalculated by taking the general and administrative expenses adjusted to costs which had been passed through to other entities in the VW Group (EUR million 1,211 for 2018) divided by the sum of interest income from lending transactions and marketable securities, net income from leasing transaction, interest expenses, net income from service contracts, net income from insurance business, provision for credit risks and net fee and commission income (EUR million 2,049 for 2018).

Petra Reinheimer
Deputy Chairwoman of the Joint Works Council of VWFSAG, Volkswagen Bank GmbH and Euromobil Autovermietung GmbH

Hans-Joachim Rothenpieler
Member of the Board of Management Audi AG, Technical Development

Dr. Hans Peter Schützinger
CEO Porsche Holding GmbH

Eva Stassek
First authorized representative
IG Metall Braunschweig

The business address of the members of the Board of Management and of the Supervisory Board of VWFSAG is Gifhorner Straße 57, 38112 Braunschweig, Federal Republic of Germany.

*Conflicts of Interest*

The members of the Board of Management and of the Supervisory Board have additional positions which may potentially result in conflict of interest between their duties towards the Issuer and their private and other duties, in particular in so far as some of the members of the Board of Management and of the Supervisory Board have additional duties within VW Group. As at the date of this Prospectus, none of the members of the Board of Management and of the Supervisory Board has declared that a conflict of interest currently exists.

**Board Practices**

Since 1 September 2017 VWFSAG does not have any committees established out of its supervisory board.

**Historical Financial Information**

The published audited consolidated financial statements of VWFSAG Group for the financial years ended 31 December 2017 and 2018 are incorporated by reference in and form part of this Prospectus.

**Auditors**

The auditors of VWFSAG and VWFSAG Group for the financial years 2017 and 2018 were PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Fuhrberger Straße 5, 30625 Hannover, Federal Republic of Germany, who have audited the consolidated financial statements of VWFSAG Group as well as the individual financial statements of VWFSAG for the financial years ended 31 December 2017 and 2018 and have given their unqualified auditors' report for each of these years.

PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft is a member of the German Chamber of Public Accountants (*Wirtschaftsprüferkammer*).

**Trend Information**

There has been no material adverse change in the prospects of VWFSAG Group since the date of its last published audited consolidated financial statements as at 31 December 2018.

The diesel issue as well as other expenses or provisions in connection with diesel vehicles, including but not limited to residual values of cars and the debate about the prohibition of the use of diesel vehicles may have a negative impact on the future business and financial performance of VWFSAG Group, the effect of which remains uncertain. For further information on the risks VWFSAG Group faces relating to the diesel issue, see the risk factor *"Volkswagen Group is facing investigations and potential impacts out of discrepancies related to the diesel issue that have had and may continue to have a material adverse effect on the business, financial condition and operations of VWFSAG Group."*

A future transfer of assets and/or subsidiaries in context of the reorganization of the corporate structure, increased litigation and legal risks, including but not limited to the area of consumer credit law, which would be reflected in corresponding provisions as well as geopolitical tensions and conflicts, protectionist tendencies, turmoil in financial markets, structural deficits in individual countries as well as uncertainty regarding future developments in the euro area, such as the uncertain impacts of the United Kingdom's planned exit from the EU, may have a negative impact on the future business and financial performance of VWFSAG Group.
VWFSAG Group anticipates a slight increase in funding costs, greater levels of cooperation with the individual Group brands, increased cost optimization under the efficiency program, higher overhead cost caused by investments into the digitalization and a continued high degree of uncertainty regarding macroeconomic

conditions in the real economy and its impact on factors such as risk costs.

**Significant Change in the Financial or Trading Position**

There has been no significant change in the financial or trading position of VWFSAG Group since the date of its last published audited consolidated financial statements as at 31 December 2018.

**Legal and Arbitration Proceedings**

VWLGMBH as a subsidiary of VWFSAG is facing litigation in the area of consumer credit law. A number of customers have revoked their lease contracts and have engaged in pre-trial as well as court proceedings, most of which are currently pending. They claim that VWLGMBH has not complied with all aspects of German consumer credit law in its German consumer lease contracts leading to the customers' right to revoke (*widerrufen*) their contracts. In particular, VWLGMBH is alleged to have provided insufficient consumer information. Under German law, the requirements for revocation of consumer contracts and the legal consequences are controversial and legally disputed in particular, in the absence of specifications in laws and regulations, with regard to leasing. Potential lawsuits may make use of the model declaratory action procedure (*Musterfeststellungsklage*) or any other legal action in this context that involve or may lead to the involvement of a significant number of individual claimants and may significantly increase the number of lease contracts threatened by litigation. If German courts were to issue lessee-friendly final rulings and a large number of customers would revoke their contracts, this could lead to the potential winding-up of a significant number of contracts, to restitution claims and/or potential other claims of customers. This could have a substantial negative impact on VWLGMBH's and, thus, VWFSAG's financial position or profitability. For further information about the risk of potential litigation see the risk factor "VWFSAG Group is exposed to *litigation risks that may result from legal disputes, governmental investigations or other official proceedings with various stakeholders".*

**Material Contracts**

*Spin-off Agreements*

In connection with the reorganisation of the Volkswagen Financial Services Group, VWFSAG and Volkswagen Aktiengesellschaft entered into:

- a notarised spin-off and transfer agreement dated 3 January 2017 under which VWFSAG transferred to Volkswagen Aktiengesellschaft (i) all shares in Volkswagen Bank as well as (ii) all rights and obligations under the profit and loss transfer agreement (*Ergebnisabführungsvertrag*) between VWFSAG and Volkswagen Bank ("**Spin-off 1**") and

- a further notarised spin-off and transfer agreement dated 2 June 2017 under which VWFSAG transferred to Volkswagen Aktiengesellschaft all rights and obligations under the control agreement signed on 23 May 2017 and registered in the commercial register on 2 June 2017 (*Beherrschungsvertrag*) between VWFSAG and Volkswagen Bank ("**Spin-off 2**"),

each by way of spin-off by absorption (*Abspaltung zur Aufnahme*) pursuant to Section 123 (2) no. 1 of the German Transformation Act (*Umwandlungsgesetz*) (together the "**Spin-off Agreements**" / "**Spin-offs**").

Each Spin-off took (i) retroactive economic effect as of 1 January 2017 (*Abspaltungsstichtag*) and (ii) effect *in rem* upon registration with the commercial register of VWFSAG.

Under each Spin-off Agreement, VWFSAG and Volkswagen Aktiengesellschaft are mutually obliged to indemnify each other upon first demand from any liabilities, obligations or claims for security, which have not been allocated to the respective party under the relevant Spin-off Agreement, if and to the extent such liabilities, obligations or claims for security are asserted by creditors pursuant to Section 133 of the German Transformation Act or other statutory or contractual provisions.

Pursuant to Section 133 (1) of the German Transformation Act, VWFSAG and Volkswagen Aktiengesellschaft shall be jointly and severally liable for any liabilities of VWFSAG established prior to the spin-off taking effect, whereas Section 133 (3) of the German Transformation Act provides for certain temporal restrictions regarding such liability. Under the German Transformation Act VWFSAG and Volkswagen Aktiengesellschaft may be obliged to provide security to their creditors under certain circumstances. Furthermore, under the German Stock Corporation Act (*Aktiengesetz*) VWFSAG may be obliged to provide security to creditors of Volkswagen Bank under certain circumstances.

*Domination and Profit and Loss Transfer Agreements*

A domination and profit and loss transfer agreement (*Beherrschungs- und Gewinnabführungsvertrag*) between VW AG and VWFSAG came into effect on 25 September 1996 and has since then been amended and restated.

According to this agreement, VW AG, as the parent company, is entitled to instruct VWFSAG's management board. VWFSAG is obliged to transfer its annual profit to VW AG after the end of each financial year. VW AG is obliged to compensate any occurring annual deficit of VWFSAG insofar as such deficit cannot be compensated by a withdrawal from the so-called "other retained earnings" of any sums which were allocated thereto during the term of the agreement.

Simultaneously, equivalent profit and loss transfer as well as domination and profit and loss transfer agreements exist between VWFSAG and various German based subsidiaries.

*Outsourcing Agreements*

Volkswagen Financial Services Digital Solutions GmbH, a subsidiary of Volkswagen Bank (51%) and VWFSAG (49%), provides services in the areas of internal services, customer services, process management and IT to its shareholders VWFSAG and Volkswagen Bank. The employees working for Volkswagen Financial Services Digital Solutions GmbH kept their employment contracts with VWFSAG and are lent to Volkswagen Financial Services Digital Solutions GmbH.

**Recent Developments**

In December 2018, VW AG's Board of Management decided and its Supervisory Board consented to a repayment of EUR 1 billion in equity capital from VWFSAG's capital reserves to VW AG, which thus led to a corresponding decrease of EUR 1 billion in VWFSAG's capital reserves by 31 December 2018. Additionally, VW AG's Board of Management decided and its Supervisory Board consented to a renewed contribution of EUR 1 billion to the capital reserves of VWFSAG by 30 June 2019 at the latest, which will thus lead to a corresponding increase in the capital reserves of VWFSAG. These two effects should have an offsetting effect on VWFSAG's capital reserves by 30 June 2019 at the latest.

# Volkswagen Leasing GmbH as Issuer

**History and Development**

Volkswagen Leasing GmbH ("**VWLGMBH**") was incorporated on 18 October 1966 as a limited liability company under German law under the name "Volkswagen Leasing Gesellschaft mit beschränkter Haftung" in Wolfsburg. The registered office was moved to Braunschweig, where VWLGMBH was registered in the commercial register of the local court (*Amtsgericht*) of Braunschweig on 5 January 1983 under the number HRB 1858.

The registered office of VWLGMBH is located in Braunschweig; its head office is at Gifhorner Straße 57, 38112 Braunschweig, Federal Republic of Germany (phone +49 531 212-3071 (Investor Relations) or +49 531 212-0 (Main Desk)). VWLGMBH operates under the laws of the Federal Republic of Germany. The Legal Entity Identifier (LEI) of VWLGMBH is: 5299004GLEUX88BSNB74.

**Articles of Association**

The purpose of VWLGMBH as set forth in Article 2 of its Articles of Association is, amongst others, the leasing of motor vehicles as well as of equipment and plants of any kind, domestically and abroad, and all other business which serve to support the business of Volkswagen AG and its affiliated companies.

VWLGMBH can establish other businesses, participate in other businesses, establish branches and partake in any activities that promote its purpose.

**Organisational Structure / Major Shareholders**

VWLGMBH is a wholly-owned subsidiary of Volkswagen Financial Services Aktiengesellschaft, Braunschweig, Federal Republic of Germany ("**VWFSAG**"). The shares are held directly by VWFSAG. Parent company of VWFSAG is Volkswagen Aktiengesellschaft, Wolfsburg, Federal Republic of Germany ("**VW AG**"). VW AG is the controlling company of the Volkswagen Group ("**VW Group**") which consists of numerous subsidiaries and affiliates in the Federal Republic of Germany and abroad.
A profit and loss transfer agreement with VWFSAG came into effect on 18 September 2002. According to this agreement VWLGMBH is obliged to transfer its annual profit to VWFSAG after the end of each financial year. VWFSAG is obliged to compensate any occurring annual deficit of VWLGMBH insofar as such deficit cannot be compensated by a withdrawal from the so-called other retained earnings of any sums which were allocated thereto during the term of the agreement.

**Share Capital**

As at the date of the Prospectus the subscribed capital of VWLGMBH amounted to EUR 76,004,000 divided into three shares with nominal values of EUR 51,129,200, EUR 24,874,750 and EUR 50, respectively. All three shares are fully paid-up.

**Business Overview**

*Principal Activities*
VWLGMBH engages in the operating leasing business with private and business customers as well as in the fleet management and services business. VWLGMBH is focused squarely on the needs of the private customer, corporate customer and fleet customer groups. Besides enabling innovative rental models such as long-term or micro rentals (car sharing) and other new mobility services, the company's organisational foundation ensures the consistent expansion of after sales services in the automotive context. As part of its overall responsibility, the Board of Management of VWLGMBH has introduced a MaRisk-compliant strategy process and drawn up a business and risk strategy. The corporate strategy ROUTE2025 sets out the fundamental views of the Board of Management of VWLGMBH on key matters relating to business policy. It includes the objectives for each major business activity and the strategic areas for action to achieve the relevant objectives. The business strategy also serves as the starting point for creating a consistent risk strategy.
The digitalisation of business represents a significant opportunity for VWLGMBH. We aim to be able to offer all products worldwide online as well by 2025. By expanding digital sales channels, we are addressing the changing needs of customers and strengthening the competitive position.

VWLGMBH is authorized to pledge its assets in total value of up to approximately EUR 6.5 billion as security for potential intergroup refinancing provided by Volkswagen Bank to VWLGMBH and other VWFSAG Group subsidiaries.

*Principal Markets*
The main markets of VWLGMBH are Germany, Italy and Poland.

**Selected Financial Information**

The following table shows selected financial information of VWLGMBH extracted from the published audited non-consolidated financial statements as at and for the financial years ended 31 December 2017 and 2018:

Balance sheet data

| | **31 December 2018** | **31 December 2017** |
|---|---|---|
| | EUR 000 | |
| Total assets | 37,486,382 | 32,218,349 |
| Lease assets | 27,739,373 | 26,048,897 |
| Equity | 222,359 | 222,359 |
| Liabilities to customers | 16,716,105 | 13,482,960 |
| Securitized liabilities | 12,178,369 | 10,488,689 |

Income statement data

| | **1 January – 31 December** | |
|---|---|---|
| | **2018** | **2017** |
| | EUR 000 | |
| Leasing income | 17,508,774 | 15,848,481 |
| Leasing expenses | 9,986,389 | 9,326,472 |
| Result from ordinary activities | 281,073 | –525,354 |
| Net retained profits | 649 | 649 |

Further financial indicators

| | **31 December 2018** | **31 December 2017** |
|---|---|---|
| Equity ratio (per cent.)[9] | 0.6% | 0.7 |

**Administrative, Management and Supervisory Bodies**

*Management*
As at the date of this Prospectus, members of the Management of VWLGMBH are:

Anthony Bandmann; Chairman (until 30 June 2019)
Member of the Board of Management of Volkswagen-Versicherungsdienst GmbH

Jens Legenbauer; Chairman (as of 01 July 2019)

Silke Finger
Back-Office

Knut Krösche
Front Office

The business address of the members of the Board of Management of VWLGMBH is Gifhorner Straße 57, 38112 Braunschweig, Federal Republic of Germany.

[9] The equity ratio is an indicator to measure the capital strength. Total equity (EUR million 222 as per 31 December 2018) divided by the balance sheet total (EUR million 37,486 as per 31 December 2018).

*Conflicts of Interest*
The members of the Board of Management have additional positions which may potentially result in conflict of interest between their duties towards the Issuer and their private and other duties, in particular in so far as some of the members of the Board of Management have additional duties within VW Group. As at the date of this Prospectus, none of the members of the Board of Management has declared that a conflict of interest currently exists.

**Board Practices**

VWLGMBH has established an audit committee in accordance with Section 324 of the German Commercial Code (Handelsgesetzbuch "**HGB**") and Section 107 para. 3 sentence 2 of the German Stock Corporation Act (Aktiengesetz "**AktG**").The audit committee especially monitors the accounting process, the effectiveness of VWLGMBH's internal control, risk management systems and internal audit as well as the external audit, in particular the external auditor's independence and his additional work. The VWLGMBH does not comply with every recommendation of the German Corporate Governance Code. The German Corporate Governance Code primarily addresses listed corporations. Therefore many of these recommendations are not applicable to VWLGMBH.

*Audit committee*
As at the date of this Prospectus, members of the audit committee of VWLGMBH are:

Werner Flügge, Chairman

Helmut Streiff, Deputy Chairman

Frank Fiedler, Member of the Board of Management of VWFSAG

**Historical Financial Information**

The published audited non-consolidated financial statements of VWLGMBH for the financial years ended 31 December 2017 and 2018 are incorporated by reference in and form part of this Prospectus.

**Auditors**

The auditors of VWLGMBH for the financial years 2017 and 2018 were PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Fuhrberger Straße 5, 30625 Hannover, Federal Republic of Germany, who have audited the non-consolidated financial statements of VWLGMBH for the financial years ended 31 December 2017 and 2018 and have given their unqualified auditor's report for each of these years.

**Trend Information**

There has been no material adverse change in the prospects of VWLGMBH since the date of its last published audited non-consolidated financial statements as at 31 December 2018.

The diesel issue as well as other expenses or provisions in connection with diesel vehicles, including but not limited to residual values of cars and the debate about the prohibition of the use of diesel vehicles may have a negative impact on the future business and financial performance of VWLGMBH, the effect of which remains uncertain.

Additionally, increased litigation and legal risks, including but not limited to the area of consumer credit law, which would be reflected in corresponding provisions as well as geopolitical tensions and conflicts, protectionist tendencies, turmoil in the financial markets, structural deficits in individual countries, as well as uncertainty regarding future developments in the euro area, such as the uncertain impacts of the United Kingdom's planned exit from the EU, may affect the operating profit and financial performance of VWLGMBH.

VWLGMBH anticipates a slight increase in funding costs, greater levels of cooperation with the individual Group brands, increased cost optimization under the efficiency program, slightly falling risk costs, higher overhead cost caused by investments into the digitalization and a continued high degree of uncertainty regarding macroeconomic conditions in the real economy and its impact on factors such as risk costs.

**Significant Change in the Financial or Trading Position**

There has been no significant change in the financial or trading position of VWLGMBH since the date of its last published audited non-consolidated financial statements as at 31 December 2018.

**Legal and Arbitration Proceedings**

VWLGMBH is facing litigation in the area of consumer credit law. A number of customers have revoked their lease contracts and have engaged in pre-trial as well as court proceedings, most of which are currently pending. They claim that VWLGMBH has not complied with all aspects of German consumer credit law in its German consumer lease contracts leading to the customers' right to revoke (*widerrufen*) their contracts. In particular, VWLGMBH is alleged to have provided insufficient consumer information. Under German law, the requirements for revocation of consumer contracts and the legal consequences are controversial and legally disputed in particular, in the absence of specifications in laws and regulations, with regard to leasing. Potential lawsuits may make use of the model declaratory action procedure (*Musterfeststellungsklage*) or any other legal action in this context that involve or may lead to the involvement of a significant number of individual claimants and may significantly increase the number of lease contracts threatened by litigation. If German courts were to issue lessee-friendly final rulings and a large number of customers would revoke their contracts, this could lead to the potential winding-up of a significant number of contracts, to restitution claims and/or potential other claims of customers. This could have a substantial negative impact on VWLGMBH's financial position or profitability. For further information about the risk of potential litigation see the risk factor *"*VWLGMBH *is exposed to litigation risks that may result from legal disputes, governmental investigations or other official proceedings with various stakeholders".*

**Material Contracts**

*Profit and Loss Transfer Agreement*

A profit and loss transfer agreement (*Ergebnisabführungsvertrag*) with VWFSAG came into effect on 18 September 2002. According to this agreement VWLGMBH is obliged to transfer its annual profit to VWFSAG after the end of each financial year. VWFSAG is obliged to compensate any occurring annual deficit of VWLGMBH insofar as such deficit cannot be compensated by a withdrawal from the so-called other retained earnings of any sums which were allocated thereto during the term of the agreement.

*Outsourcing Agreements*

Volkswagen Bank and VWLGMBH have entered into an outsourcing agreement. According to this agreement, the sales forces of VWLGMBH are providing sales activities for its leasing business as well as for the financing business of Volkswagen Bank. To safeguard a stable result for Volkswagen Bank, target sales volumes and the average earning assets per car are defined. Any deviation from these targets would result either in a bonus payment from Volkswagen Bank to VWLGMBH or a malus payment from VWLGMBH to VW Bank, which in turn should incentivises VWLGMBH's sales activities for banking products.

In addition, Volkswagen Financial Services Digital Solutions GmbH, a subsidiary of Volkswagen Bank (51%) and VWFSAG (49%), provides services in the areas of internal services, customer services, process management and IT to its shareholders and their subsidiaries. The employees working for Volkswagen Financial Services Digital Solutions GmbH kept their initial employment contract with VWFSAG but are lent to Volkswagen Financial Services Digital Solutions GmbH.

# Volkswagen Financial Services N.V. as Issuer

**History and Development**

Volkswagen Financial Services N.V. ("VWFSNV") was incorporated as a stock corporation under the law of The Netherlands for an indefinite period of time on 16 May 1983 under the name Audi Finance N.V. It is registered in the Register of Commerce of Amsterdam under No. 33172400. According to a resolution of the extraordinary general meeting of shareholders held on 28 December 1994 the name was changed to Volkswagen Financial Services N.V. Furthermore, it was sold by its former shareholders Volkswagen International Finance N.V. and Audi AG to Volkswagen Financial Services Aktiengesellschaft ("VWFSAG") with effect from 31 December 1994. On 1 November 2018, the parent company of VWFSNV changed to Volkswagen Finance Overseas B.V. ("VWFOBV"). VWFSNV's registered office is at Paleisstraat 1, 1012 RB Amsterdam, The Netherlands (phone +31 20 420-5360). VWFSNV operates under the laws of the Netherlands. The Legal Entity Identifier (LEI) of VWFSNV is: 529900ZTQC8D1TW6BL41.

**Articles of Association**

The purposes of VWFSNV according to Article 2 of its Articles of Association are to finance and to participate in companies and enterprises. VWFSNV may borrow, raise and secure money in all manners expedient to it, especially by means of issuance of bonds, convertible bonds, stock and securities of indefinite currency term or otherwise, be it or be it not by binding some or all of its assets, present or future assets, including the capital not paid in, as well as to redeem or repay such securities.

**Organisational Structure / Major Shareholders**

VWFSNV is a wholly-owned subsidiary of VWFOBV, Amsterdam, the Netherlands, which is a 100% subsidiary of VWFSAG, Braunschweig, Federal Republic of Germany. Parent company of VWFSAG is VW AG. VW AG is the controlling company of the VW Group which consists of numerous subsidiaries and affiliates in the Federal Republic of Germany and abroad.

**Share Capital**

As at the date of the Prospectus, the subscribed capital of VWFSNV amounted to EUR 2,270,000, of which an amount of EUR 454,000 was paid-up, representing 454 registered and issued shares of EUR 1,000 each. VWFSNV has no mandatory reserve.

**Business Overview**

*Principal Activities*
The tasks of VWFSNV are to finance affiliated companies and enterprises, by means of borrow, raise and secure money in all manners expedient to it, especially by means of issuance of bonds, convertible bonds, stock and securities of indefinite currency or term, and to participate in such companies. As of the date of the Prospectus, VWFSNV has no significant participations. VWFSNV uses for its refinancing VWFSAG's Debt Issuance Programme (DIP) and Commercial Paper Programme, and has access to external credit facilities and to inter-company loans. Depending on the market situation, VWFSNV also makes use of own funds that are provided by VWFOBV as parent company by way of contributions in cash into the share premium reserve of VWFSNV in order to grant loans to affiliated companies. These own funds increase or decrease depending on the financing needs. Therefore VWFSNV´s equity might fluctuate significantly.

*Principal Markets*
VWFSNV finances companies who are primarily situated in the European market, in South America, Australia and the Asia-Pacific region.

**Selected Financial Information**

The following table shows selected financial information of VWFSNV extracted from the published audited non-consolidated financial statements as at and for the financial years ended 31 December 2017 and 2018:

Balance sheet data

| | 31 December 2018 | 31 December 2017 |
|---|---|---|
| | EUR 000 | |
| Balance sheet total | 5,929,923 | 6,525,264 |
| Fixed assets | 3,688,968 | 3,235,637 |
| Current assets | 2,235,746 | 3,285,308 |
| Total liabilities | 4,675,274 | 5,280,976 |
| Equity | 1,254,649 | 1,244,288 |

Income statement data

| | 1 January – 31 December | |
|---|---|---|
| | 2018 | 2017 |
| | EUR 000 | |
| Net interest and similar income | 13,705 | 11,135 |
| Result before taxation | 11,726 | 9,518 |
| Result after taxation | 10,361 | 7,208 |

**Administrative, Management and Supervisory Bodies**

*Management Board*
The Management Board of VWFSNV consists of one or more members. As at the date of this Prospectus, members of the Management Board are:

Thomas Fries, Managing Director

Member of the Board of Management of Volkswagen International Finance N.V.

Bernd Bode, Managing Director

Head of Group Treasury and Investor Relations of VW Bank GmbH

The Supervisory Board of VWFSNV consists of one or more members.

As at the date of this Prospectus, member of the Supervisory Board is:

Frank Fiedler,

Member of the Board of Management of VWFSAG

The business address of the members of the Management Board and of the Supervisory Board is Paleisstraat 1, 1012 RB Amsterdam, The Netherlands.

*Conflicts of Interest*
The members of the Management Board and of the Supervisory Board have additional positions which may potentially result in conflict of interest between their duties towards the Issuer and their private and other duties, in particular in so far as all members of the Management Board and of the Supervisory Board have additional duties within VW Group. As at the date of this Prospectus, none of the members of the Management Board and of the Supervisory Board has declared that a conflict of interest actually exists.

**Board Practices**

Pursuant to the Dutch Corporate Governance Decree of 23 December 2004 (as amended most recently on 29 August 2017, which amendment has taken effect on 1 January 2018) implementing further accounting standards for annual reports (Besluit Corporate Governance) and based on the listing of VWFSNV's debt securities issued on regulated markets in the EU, VWFSNV is subject to the less restrictive regime under the Corporate Governance Decree, pursuant to which the Corporate Governance Statement in VWFSNV's annual report (directly or incorporated by reference) must contain information on the main features of VWFSNV's internal control and risk management system in relation to the financial reporting process. The Corporate Governance Statement in the Guarantor's 2018 annual report contains information on the main features of the internal control and risk management system in relation to the financial reporting process of the company and their group companies.

The integrity and quality of its management is evaluated in accordance with instructions from the shareholder by a Board of Supervisory Directors consisting of one executive from the direct parent company. In addition periodic internal and external audits are conducted of its accounting and operations, including the risk management. VWFSNV has no specific audit committee. The Supervisory Director is in charge of all relevant tasks.

VWFSNV works with proven transparent systems for accounting and treasury. All operations are subject to a so-called "4 eye principle" so that basically all decisions and external instructions have to be approved by at least 2 persons. Checks and processes in places limit abuse of authority and of privileges.

The management of risks in VWFSNV's work particularly of its interest rate mismatch risks and foreign exchange position risks is subject to narrowly defined limits and monthly reporting apart from the frequent audits.

Members of management may not have other external functions which could imply conflict of interest. Any other function requires the approval of the Board.

**Historical Financial Information**

The published audited non-consolidated financial statements of VWFSNV for the financial years ended 31 December 2017 and 2018 are incorporated by reference in and form part of this Prospectus.

**Auditors**

The auditor of VWFSNV for the financial years ended 31 December 2017 and 31 December 2018, was BDO Audit & Assurance B.V., Krijgsman 9 1186 DM Amstelveen, The Netherlands who has audited the non-consolidated financial statements of VWFSNV for the financial years ended 31 December 2017 and 31 December 2018 and has issued its unqualified auditor's opinion. The auditor of BDO Audit & Assurance B.V. who signed the auditor's opinions which was issued with the financial statements for the financial year 2017 and 2018, Mr. Meijer, is a member of the Royal Netherlands Institute of Chartered Accountants (NBA).

**Trend Information**

There has been no material adverse change in the prospects of VWFSNV since the date of its last published audited non-consolidated financial statements as at 31 December 2018.
Various repercussions could result for VWFSAG Group and VWFSNV from the diesel issue.
In turn, the diesel issue may have a negative impact on the future business and financial results of VWFSNV, the effect of which remains uncertain.
For further information on the risks VWFSNV faces relating to the diesel issue, see the risk factor *"Volkswagen Group is facing investigations and potential impacts out of discrepancies related to the diesel issue that have had and may continue to have a material adverse effect on the business, financial condition and operations of VWFSNV."*

**Significant Change in the Financial or Trading Position**

There has been no significant change in the financial or trading position of VWFSNV since the date of its last published audited non-consolidated financial statements as at 31 December 2018.

**Legal and Arbitration Proceedings**

VWFSNV is not involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which VWFSNV is aware), during a period covering at least the previous 12 months, which may have or have had in the recent past, significant effects on VWFSNV's financial position or profitability.

**Material Contracts**

As of the date of this Prospectus, there are no material contracts that are not entered into in the ordinary course of the VWFSNV's business, which could result in any group member being under an obligation or entitlement that is material to the VWFSNV's ability to meet its obligation to security holders under the Notes.

# Volkswagen Financial Services Japan Ltd. as Issuer

**History and Development**

Volkswagen Financial Services Japan Ltd. ("VWFSJ") was incorporated on 5 September 1990 as a stock corporation under Japanese law under the name "Volkswagen Finance Japan Kabushiki Kaisha". On 1 October 2005 the name was changed to Volkswagen Financial Services Japan Ltd. It is registered in the commercial register of Tokyo under number 0107-01-024631. VWFSJ operates under the law of Japan. The Legal Entity Identifier (LEI) of VWFSJ is: 529900AD5YDJP2OWZB15.

The registered office of VWFSJ is at Gotenyama Trust Tower 17F, 4-7-35 Kita-Shinagawa, Shinagawa-ku, Tokyo 140-0001, Japan (phone +81 3 5792 7200).

**Organisational Structure / Major Shareholders**

VWFSJ is a wholly-owned subsidiary of VWFSAG, Braunschweig, Federal Republic of Germany. Parent company of VWFSAG is VW AG. VW AG is the controlling company of the VW Group which consists of numerous subsidiaries and affiliates in the Federal Republic of Germany and abroad.

VWFSJ has a wholly-owned subsidiary, VAREC LTD., which is engaged in financing and leasing of dealer sites to VW Group dealers.

**Business Overview**

*Principal Activities*

The principal activities of VWFSJ are the following:

1. Offering auto loans to and leasing for retail customers;
2. Financing for dealers (such as outlets, equipment, demo-car, etc.);
3. Credit Card business (co-branded partnership / affinity relationship);
4. Non-life Insurance agency; and
5. Any business that arises from above four items.

**Administrative, Management and Supervisory Bodies**

*Board of Directors and Statutory Auditors*

Present members of the Board of Directors and statutory auditors are:

Masayuki Yokose, President and Chief Executive Officer [(*1)]
Managing Director of VWFSJ

Arturo Romanin, Executive Vice President[(*1)]
Managing Director of VWFSJ

Norbert Dorn, Director
Regional Manager International of VWFSAG

Marc Schwekendiek, Director
Head of Controlling International of VWFSAG

Zhong, Zhong, Statutory Auditor
Managing Director of VWFSAL

The business address of the members of the Board of Directors and of the Statutory Auditors of VWFSJ is Gotenyama Trust Tower 17F, 4-7-35 Kita-Shinagawa, Shinagawa-ku, Tokyo 140-0001, Japan.

*Conflicts of Interest*
The members of the Board of Directors have additional positions which may potentially result in conflict of interest between their duties towards the Issuer and their private and other duties, in particular in so far as some of the members of the Board of Directors have additional duties within VW Group. As at the date of this Prospectus, none of the members of the Board of Directors has declared that a conflict of interest actually exists.

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[(*1)] Representative Director.

**Board Practices**

VWFSJ does not comply with every recommendation of the Japanese Corporate Governance Code as such code primarily addresses to listed companies. Therefore, many of these recommendations are not applicable to VWFSJ.

**Historical Financial Information**

The published audited non-consolidated financial statements of VWFSJ as at and for the financial years ended 31 December 2017 and 2018 are incorporated by reference in and form part of this Prospectus. Those financial statements have been prepared in the Japanese language. VWFSJ accepts responsibility for the correct English translation thereof.

**Auditors**

The independent auditors of VWFSJ for the financial years 2017 and 2018 were PricewaterhouseCoopers Aarata, Sumitomo Fudosan Shiodome Hamarikyu Building, 8-21-1 Ginza, Chuo-ku, Tokyo 104-0061, who have audited the non-consolidated financial statements of VWFSJ for the financial year ended 31 December 2017 and 2018 and have given their unqualified auditor's report.

PricewaterhouseCoopers Aarata LLC is a member of the Japanese Institute of Certified Public Accountants.

**Trend Information**

There has been no material adverse change in the prospects of VWFSJ since the date of its last published audited non-consolidated financial statements as at 31 December 2018.

Various repercussions could result for VWFSAG Group and VWFSJ from the diesel issue. In turn, the diesel issue may have a negative impact on the future business and financial results of VWFSJ, the effect of which remains uncertain.

For further information on the risks VWFSJ faces relating to the diesel issue, see the risk factor *"Volkswagen Group is facing investigations and potential impacts out of discrepancies related to the diesel issue that have had and may continue to have a material adverse effect on the business, financial condition and operations of VWFSJ."*
VWFSJ assumes a slight reduction in refinancing costs, continuation of its close cooperation with the respective VW Group brands, increased cost optimisation under the efficiency program and a continued high degree of uncertainty about macroeconomic conditions in the real economy and the impact of these uncertainties on factors such as risk costs.

**Significant Change in the Financial or Trading Position**

There has been no significant change in the financial or trading position of VWFSJ since the date of its last published audited non-consolidated financial statements as at 31 December 2018.

**Legal and Arbitration Proceedings**

VWFSJ is not involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which VWFSJ is aware), during a period covering at least the previous 12 months, which may have or have had in the recent past, significant effects on VWFSJ's financial position or profitability.

**Material Contracts**

As of the date of this Prospectus, there are no material contracts that are not entered into in the ordinary course of the VWFSJ's business, which could result in any group member being under an obligation or entitlement that is material to VWFSJ's ability to meet its obligation to security holders under the Notes.

# Volkswagen Financial Services Australia Pty Limited as Issuer

**History and Development**

On 18 May 2006 Volkswagen Financial Services Australia Pty Limited ("VWFSAL") converted from a "Limited" (public company) to a "Pty Limited" (proprietary company). It was first incorporated on 7 June 2001 as an Australian public company limited by shares under the Corporations Act 2001 of Australia ("Australian Corporations Act"). It is issued an Australian Company Number (ACN) 097 071 460 by the Australian Securities and Investments Commission, and an Australian Business Number (ABN) 20 097 071 460 by the Australian Taxation Office. VWFSAL is operating under the laws of Australia. The Legal Entity Identifier (LEI) of VWFSAL is: 529900VBZRQG6COX9X61.

The registered office of VWFSAL is at Level 1, 24 Muir Road, Chullora NSW 2190, Australia (phone +61 2 9695 6311).

**Articles of Association (Constitution)**

As described below in more detail, it is VWFSAL's purpose to provide finance, leasing and insurance solutions. In this context it is relevant that under Article 2.2 of its Constitution (Articles of Association) VWFSAL has the power to, amongst others, issue and cancel shares in the company, issue debentures, grant options over unissued shares in the company, distribute any of the company's property among the members in kind or otherwise grant a security interest in uncalled capital and grant a circulating security interest over the company's property.

Also, under Article 22 of the Constitution the Directors may exercise all the powers of VWFSAL to borrow money and mortgage or charge its undertaking, assets and uncalled capital or any part of it, and may issue debentures, debenture stock and other securities whether outright or as security for any debt, contract, guarantee, engagement, obligation or liability of VWFSAL and of any third party.

**Organisational Structure / Major Shareholders**

VWFSAL is a wholly-owned subsidiary of VWFSAG, Braunschweig, Federal Republic of Germany. Parent company of VWFSAG is VW AG. VW AG is the controlling company of the VW Group which consists of numerous subsidiaries and affiliates in the Federal Republic of Germany and abroad.

**Share Capital**

As at the date of the Prospectus the subscribed capital of VWFSAL amounted to AUD 105,440,000 divided into 105,440,000 ordinary shares. The shares are fully paid-up.

**Business Overview**

*Principal Activities*
The principal activities of VWFSAL are the provision of motor vehicle finance, leasing and insurance solutions to private and corporate clients. Furthermore VWFSAL offers bailment stocking and capital loans to its dealers. VWFSAL's product portfolio is not limited to Volkswagen group brands as is common in the automotive related financial services industry.

*Principal Markets*
VWFSAL's business activities are focused on the Australian market.

**Selected Financial Information**

The following table sets forth selected financial information of VWFSAL Group extracted from the published audited consolidated financial statements as at and for the financial years ended 31 December 2017 and 2018:

Balance sheet data

| | **31 December 2018** | **31 December 2017** |
|---|---|---|
| | AUD 000 | |

| | | |
|---|---|---|
| Total assets | 6,845,557 | 5,935,883 |
| Total liabilities | 6,563,254 | 5,675,311 |
| Net assets | 282,303 | 260,572 |
| Total equity | 282,303 | 260,572 |

Income statement data

| | 1 January – 31 December | |
|---|---|---|
| | **2018** | **2017** |
| | AUD 000 | |
| Net interest revenue | 114,330 | 80,228 |
| Total income from operations | 135,445 | 97,348 |
| Profit before income tax | 46,609 | 23,710 |
| Profit for the year attributable to owners | 32,095 | 16,181 |

**Administrative, Management and Supervisory Bodies**

*Board of Directors*
As at the date of this Prospectus, members of the Board of Directors are:

Joern Kurzrock, Director
Managing Director of VWFSAL

Zhong, Zhong, Director
Managing Director of VWFSAL

Norbert Dorn, Director
Region Manager International of VWFSAG

Marc Schwekendiek, Director
Head of Controlling International of VWFSAG

The business address of the members of the Board of Directors of VWFSAL is Level 1, 24 Muir Road, Chullora NSW 2190, Australia.

*Conflicts of Interest*
The members of the Board of Directors have additional positions which may potentially result in conflict of interest between their duties towards VWFSAL and their private and other duties, in particular in so far as some of the members of the Board of Directors have additional duties within VW Group. As at the date of this Prospectus, none of the members of the Board of Directors has declared that a conflict of interest actually exists.

**Board Practices**

The Board of Directors exists to provide strategic directions for VWFSAL. On a daily basis, operational decisions of VWFSAL are the responsibilities of the Managing Directors with the Non-Executive Directors acting in an advisory capacity only. All directors attend regular training to ensure that they understand and maintain their directors' duties under the Australian law. VWFSAL is regulated under the Australian Corporations Act. VWFSAL does not comply with every recommendation of the Australian Corporate Governance Code as such code

primarily addresses to listed companies. Therefore, many of these recommendations are not applicable to VWFSAL.

**Historical Financial Information**

The published audited consolidated financial statements of VWFSAL Group for the financial years ended 31 December 2017 and 2018 are incorporated by reference in and form part of this Prospectus.

**Auditors**

The independent auditors of VWFSAL Group for the financial years 2017 and 2018 were PricewaterhouseCoopers, One International Towers, Watermans Quay, Barangaroo NSW 2000, Australia, who have audited the consolidated financial statements of VWFSAL for the financial years ended 31 December 2017 and 2018 and have issued unqualified independent Auditor's Reports for each of these years.

PricewaterhouseCoopers is a member of the Institute of Chartered Accountants of Australia.

**Trend Information**

There has been no material adverse change in the prospects of VWFSAL since the date of its last published audited consolidated financial statements as at 31 December 2018.

Various repercussions could result for VWFSAG Group and VWFSAL from the diesel issue. In turn, the diesel issue may have a negative impact on the future business and financial results of VWFSAL, the effect of which remains uncertain. For further information on the risks VWFSAL Group faces relating to the diesel issue, see the risk factor *"Volkswagen Group is facing investigations and potential impacts out of discrepancies related to the diesel issue that have had and may continue to have a material adverse effect on the business, financial condition and operations of VWFSAL Group."*

VWFSAL assumes a slight reduction in refinancing costs, continuation of its close cooperation with the respective VW Group brands, increased cost optimisation under the efficiency program and a continued high degree of uncertainty about macroeconomic conditions in the real economy and the impact of these uncertainties on factors such as risk costs.

**Significant Change in the Financial or Trading Position**

There has been no significant change in the financial or trading position of VWFSAL Group since the date of its last published consolidated financial statements as at 31 December 2018.

**Legal and Arbitration Proceedings**

VWFSAL is not involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which VWFSAL is aware), during a period covering at least the previous 12 months, which may have or have had in the recent past, significant effects on VWFSAL's financial position or profitability.

**Material Contracts**

As of the date of this Prospectus, there are no material contracts that are not entered into in the ordinary course of the VWFSAL's business, which could result in any group member being under an obligation or entitlement that is material to the VWFSAL's ability to meet its obligation to security holders under the Notes.

**Recent Developments**

A regulatory body is currently conducting an industry-wide investigation into consumer loans, including into some of the VWFSAL Group's consumer loans. This investigation remains ongoing. Pursuant to this investigation, the regulatory body has indicated concerns in relation to certain aspects of VWFSAL Group's past consumer loan practices. Engagement continues with the regulatory body directed at addressing those concerns, including by way of a customer remediation program and a systems and processes review. The terms and quantification of the remediation program and systems review are still under discussion. The financial effects relating to this matter are not expected to significantly impact on VWFSAL's business activities or growth and will not impact on VWFSAL's ability to meet VWFSAL's payment obligations.

# General Description of the Programme

**1. General**

Under this EUR 35,000,000,000 Debt Issuance Programme, VWFSAG, VWLGMBH, VWFSNV, VWFSJ and VWFSAL may from time to time issue Notes to one or more of the following Dealers: Banco Bilbao Vizcaya Argentaria, S.A., Banco Santander, S.A., Barclays Bank PLC, Bayerische Landesbank, BNP Paribas, Citigroup Global Markets Limited, Commerzbank Aktiengesellschaft, Crédit Agricole Corporate and Investment Bank, Danske Bank A/S, Deutsche Bank Aktiengesellschaft, Goldman Sachs International, Mizuho Securities Europe GmbH, HSBC Bank plc, J.P. Morgan Securities plc, Landesbank Baden-Württemberg, Lloyds Bank Corporate Markets Wertpapierhandelsbank GmbH, Merrill Lynch International, MUFG Securities (Europe) N.V., NatWest Markets Plc, RBC Europe Limited, Skandinaviska Enskilda Banken AB (publ), Société Générale, The Toronto-Dominion Bank, UniCredit Bank AG or any additional Dealer appointed under the Programme from time to time by the Issuer(s) (each a "**Dealer**" and together, the "**Dealers**"), which appointment may be for a specific issue or on an ongoing basis.

The maximum aggregate principal amount of the Notes at any one time outstanding under the Programme will not exceed EUR 35,000,000,000 (or its equivalent in any other currency). The Issuers may increase the amount of the Programme in accordance with the terms of the Dealer Agreement (as defined herein) from time to time.

The Notes may be issued on a continuing basis to one or more of the Dealers. Notes may be distributed by way of public offer or private placements and, in each case, on a syndicated or non-syndicated basis. The method of distribution of each Tranche will be stated in the relevant Final Terms. The Notes may be offered to qualified and non-qualified investors, unless the applicable Final Terms include a legend entitled "*PROHIBITION OF SALES TO EEA RETAIL INVESTORS*".

Each issue of Notes shall be made in series with a minimum aggregate principal amount of EUR 5,000,000 (or its equivalent in any other currencies) or such smaller amount as agreed from time to time between the respective Issuer and the respective Dealer for any individual series.

In case of Notes issued by VWFSAG, VWLGMBH, VWFSNV and VWFSAL, such Notes will be issued in such denominations as may be specified in the relevant Final Terms, save that the minimum denomination of the Notes will be, if in euro, EUR 1,000 and, if in any currency other than euro, an amount in such other currency nearly equivalent to EUR 1,000 at the time of the issue of the Notes. In case of Notes issued by VWFSJ, the minimum denomination of the Notes will be, if in euro, EUR 100,000 and, if in any currency other than euro, an amount in such other currency nearly equivalent to EUR 100,000 at the time of the issue of Notes.

Notes will be issued in tranches (each a "**Tranche**"), each Tranche consisting of Notes which are identical in all respects. One or more Tranches, which are expressed to be consolidated and forming a single series and being identical in all respects, but may have different issue dates, interest commencement dates, issue prices and/or dates for first interest payments may form a series (each a "**Series**") of Notes. Further Notes may be issued as part of existing Series.

Volkswagen Financial Services Aktiengesellschaft (the "**Guarantor**") has given its unconditional and irrevocable Guarantee (the "**Guarantee**") for the due payment of the amounts corresponding to the principal of and interest on the Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited.

Notes may be issued at their principal amount or at a discount or premium to their principal amount as specified in the applicable Final Terms.

Under the Programme, the Issuers will not issue Notes where the redemption amount[10] is determined by reference to an underlying (including an underlying in the form of a security, an index, an interest rate or a basket of underlyings).

Application has been made to the Commission, which is the Luxembourg competent authority for the purpose of the Prospectus Directive, for the approval of this Prospectus.

Application has been made to the Luxembourg Stock Exchange for Notes to be issued under this Prospectus to be admitted to trading on the "regulated market of the Luxembourg Stock Exchange" which is a regulated market for the purposes of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (recast), and to be listed on the official list of the Luxembourg Stock Exchange. The Programme provides that Notes may be listed and traded on any other stock exchange agreed between the relevant Issuer and the relevant Dealer(s) that may

[10] The Redemption Amount shall at least be equal to the nominal value.

qualify as a regulated market as indicated in the relevant Final Terms. Notes may also be issued without being listed.

Banque de Luxembourg, S.A. will act as Listing Agent. Citibank, N.A. will act as Issuing Agent and Principal Paying Agent.

**2. Description of the Notes**

**Currencies**

Subject to any applicable legal or regulatory restrictions and requirements of relevant central banks, Notes may be issued in any currency agreed by the relevant Issuer and the relevant Dealer(s) and as indicated in the relevant Final Terms.

**Denominations of Notes**

In case of Notes issued by VWFSAG, VWLGMBH, VWFSNV and VWFSAL, Notes will be issued in such denominations as may be agreed between the relevant Issuer and the relevant Dealer(s) and as indicated in the applicable Final Terms save that the minimum denomination of the Notes will be, if in euro, EUR 1,000, and if in any currency other than euro, an amount in such other currency nearly equivalent to EUR 1,000 at the time of the issue of the Notes. In case of Notes issued by VWFSJ, the minimum denomination of the Notes will be, if in euro, EUR 100,000 and, if in any currency other than euro, an amount in such other currency nearly equivalent to EUR 100,000 at the time of the issue of the Notes.

**Issue Price**

Notes may be issued at an issue price which is at par or at a discount to, or premium over, par. The Issue Price will be specified in the relevant Final Terms and, if applicable, the Final Terms will specify the amount of any expenses and taxes specifically charged to the subscriber or purchaser, if any.

The Issue Price for the Notes of any Tranche issued on a syndicated basis will be determined at the time of pricing on the basis of the yield which will be determined on the basis of the orders of the investors which are received by the Dealers during the offer period. Orders will specify a minimum yield and may only be confirmed at or above such yield.

**Status of the Notes**

Senior Notes

The relevant Issuer may issue Series of senior Notes which will constitute unsecured and senior obligations of the relevant Issuer ranking pari passu without any preference among themselves and pari passu with all other unsecured and senior obligations of the relevant Issuer, unless mandatory statutory provisions provide otherwise.

For the avoidance of doubt, none of VWFSAG, VWLGMBH, VWFSNV, VWFSJ or VWFSAL may issue Series of subordinated Notes under the Programme.

**Form of Notes**

Notes shall be issued in bearer form only and each Series thereof shall be represented by a global note in bearer form without interest coupons. Notes will be represented either initially by a temporary global note in an initial principal amount equal to the aggregate principal amount of such Notes ("**Temporary Global Note**") or permanently by a permanent global note in a principal amount equal to the aggregate principal amount of such Notes ("**Permanent Global Note**", together with the Temporary Global Note, each a "**Global Note**"). Any Temporary Global Note will be exchanged for Notes represented by a Permanent Global Note not earlier than 40 days after the completion of distribution of the Notes comprising the relevant Tranche upon certification of non U.S.-beneficial ownership in the form available from time to time at the specified office of the Issuing Agent. Definitive Notes and interest coupons, as the case may be, will not be issued.

The Notes may be issued as a Classical Global Note or a New Global Note. Notes in New Global Note form can be deposited with a commercial bank common safekeeper or an ICSD common safekeeper, but only New Global Notes that are deposited with the latter may be eligible as collateral for Eurosystem operations. The Final Terms will specify whether the Notes are issued as Classical Global Note or New Global Note.

**Fixed Rate Notes (Option I of the Terms and Conditions)**

Fixed Rate Notes bear a fixed interest income throughout the entire term of the Notes. A Holder of a Fixed Rate Note should be aware that the Final Terms may also provide that the nominal interest rate of a Fixed Rate Note is

fixed at zero per cent. Until the maturity date. Fixed Rate Notes may also be issued as Step-up/Step-down Notes which will bear fixed interest at varying rates, such rates being, in the case of Step-up Notes, greater or, in the case of Step-down Notes, less than the rates applicable to the previous interest periods. The fixed interest will be payable on such basis as may be agreed between the relevant Issuer and the relevant Dealer(s) (as specified in the relevant Final Terms). In case of Zero Coupon Notes, such Notes will be offered and sold at a discount on their principal amount but they will not bear interest other than in the case of late payment.

**Floating Rate Notes (Option II of the Terms and Conditions)**

Floating Rate Notes bear a variable interest income. Floating Rate Notes will bear interest on such basis as may be agreed between the relevant Issuer and the relevant Dealer(s), as indicated in the relevant Final Terms. The rate of interest may be determined on the basis of a reference rate. Reference rate may be EURIBOR, LIBOR or another reference rate as specified in the relevant Final Terms.

Interest on Floating Rate Notes may be payable plus or minus a margin. Further, a maximum or a minimum rate of interest may apply to interest periods. The Floating Rate Notes may have none or any combination of the aforementioned features. Interest periods for Floating Rate Notes will be one, two, three, six or twelve months or such other period(s) as may be agreed between the relevant Issuer and the relevant Dealer(s), as indicated in the relevant Final Terms.

Even though the reference rate can be below zero, the rate of interest payable under the Notes will never be negative, i.e. never fall below zero, because the Notes are governed by German law, which does not provide for negative interest payments under bearer securities (*Inhaberschuldverschreibungen*).

However, if the relevant reference rate is negative, it will still form the basis for the calculation of the interest rate. This means that a positive margin – if applicable – may be lost in whole or in part when such positive margin is added to a negative reference rate. In such case the floating interest rate for the relevant interest period might be zero and the Holder of a Floating Rate Note might not receive any interest during such interest period.

**Fixed to Floating Rate Notes (Option III of the Terms and Conditions)**

Fixed to Floating Rate Notes provide for a term where such Notes bear a fixed interest rate and a subsequent term where such Notes bear a variable interest rate on the basis of a reference rate for the relevant period plus or minus a margin and/or being limited to a maximum or a minimum rate of interest, if any (each as specified in the relevant Final Terms).

Even though the reference rate can be below zero, the rate of interest payable under the Notes will never be negative, i.e. never fall below zero, because the Notes are governed by German law, which does not provide for negative interest payments under bearer securities (*Inhaberschuldverschreibungen*).

This also applies in case of a potential margin. In case the relevant reference rate becomes negative, it still remains the basis for the calculation of the interest rate payable under the Notes and a potential positive margin will only be added to such negative reference rate. Even a positive margin may not be enough to offset a negative interest rate in which case no interest payment will be made by the Issuer nor do Holders have to make payments to the Issuer.

**Redemption**

The Notes may either be redeemed at maturity or prior to maturity. Therefore, the relevant Final Terms will indicate the events upon occurrence of which the Notes will be subject to early redemption (see below) and/or will indicate whether the Notes will be redeemable at the option of the relevant Issuer and/or the Holders upon giving notice within the notice period (if any) indicated in the relevant Final Terms to the Holders or the relevant Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such terms as indicated in the relevant Final Terms.

**Early Redemption for Taxation Reasons**

Early redemption of the Notes for taxation reasons will be permitted, if as a result of any amendment to, or change in, the laws or regulations (including any amendment to, or change in, an official interpretation or application of such laws or regulations) of the Federal Republic of Germany or in case of Notes issued by VWFSNV, The Netherlands, or in case of Notes issued by VWFSJ, Japan, or in case of Notes issued by VWFSAL, Australia, or any political subdivision or taxing authority thereto, the Issuer or in case of Notes issued by VWFSNV, VWLGMBH, VWFSJ or VWFSAL, the Guarantor, is required to pay Additional Amounts on the Notes, all as more fully set out in the Conditions applicable to a Series of Notes.

**Early Redemption for reason of a Benchmark Event in relation to Floating Rate Notes and Fixed to Floating Rate Notes**

The relevant Final Terms of Floating Rate Notes and Fixed to Floating Rate Notes may provide for an early redemption for reason of a benchmark event (i.e. a termination of, material methodological change in relation to, or prohibition on the use of, the relevant reference rate for the interest rate) and it is not possible, in the relevant Issuer's opinion, to determine a Successor Reference Rate.

**Negative Pledge and Undertaking**

The Notes will have the benefit of a negative pledge of the relevant Issuer and the Notes issued by VWFSNV, VWLGMBH, VWFSJ or VWFSAL will have the benefit of an Undertaking of the Guarantor.

**Events of Default**

The Notes will provide for events of default entitling Holders to demand immediate redemption of the Notes as set out in § 9 of the Terms and Conditions.

**No Cross Default**

The Terms and Conditions of the Notes will not provide for a cross-default.

**Resolutions of Holders**

In accordance with the German Act on Issues of Debt Securities dated 31 July 2009 (*Schuldverschreibungsgesetz*) the Notes may contain provisions pursuant to which Holders may agree by resolution to amend the Terms and Conditions (with the consent of the Issuer) and to decide upon certain other matters regarding the Notes. Resolutions of Holders properly adopted in accordance with the Terms and Conditions, are binding upon all Holders. Resolutions providing for material amendments to the Terms and Conditions require a majority of not less than 75 per cent. of the votes cast. Resolutions regarding other amendments are passed by a simple majority of the votes cast, subject to a higher majority provided for in the Terms and Conditions.

**Common Representative**

In accordance with the German Act on Issues of Debt Securities the Notes may provide that the Holders may by majority resolution appoint a representative for all Holders (the "**Common Representative**"). The responsibilities and functions assigned to the Common Representative appointed by a resolution are determined by the German Act on Issues of Debt Securities and by majority resolutions of the Holders.

**Governing Law**

German law.

**Restrictions on free transferability**

Each issue of Notes will be made in accordance with the laws, regulations and legal decrees and any restrictions applicable in the relevant jurisdiction.

**Yield**

The yield for Fixed Rate Notes (Option I of the Terms and Conditions) will be calculated by the use of the ICMA method, which determines the effective interest rate of notes taking into account accrued interest on a daily basis.

**3. Issue Procedures**

**General**

The Issuer and the relevant Dealer(s) will agree on the terms and conditions applicable to each particular Series of Notes (the "Conditions"). The Conditions will be constituted by the relevant set of Terms and Conditions of the Notes set forth below (the "Terms and Conditions") as further specified by the Final Terms (the "Final Terms") as described below.

**Options for sets of Terms and Conditions**

A separate set of Terms and Conditions applies to each type of Notes, as set forth below. The Final Terms provide for the Issuer to choose between the following Options:

- Option I – Terms and Conditions for Notes with fixed interest rates;

- Option II – Terms and Conditions for Notes with floating interest rates;

- Option III – Terms and Conditions for Notes with fixed to floating interest rates;

**Documentation of the Conditions**

The Issuer may document the Conditions of an individual Series of Notes either as Replication Conditions or as Reference Conditions whereas:

- **"Replication Conditions"** means that the provisions of the set of Terms and Conditions in the form replicated and completed in Part I. of the Final Terms shall constitute the Conditions. The Final Terms shall determine which of Option I, II or III of the Terms and Conditions respectively, shall be applicable to the individual Series of Notes by replicating the relevant provisions and completing the relevant placeholders of the relevant set of Terms and Conditions as set out in the Prospectus in the Final Terms. The replicated and completed provisions of the set of Terms and Conditions alone shall constitute the Conditions, which will be attached to each global note representing the Notes of the relevant Series. Replication Conditions will be required where the Notes are publicly offered, in whole or in part, or are to be initially distributed, in whole or in part, to non-qualified investors.

- **"Reference Conditions"** means that the provisions in Part I of the Final Terms that specify and complete the relevant set of Terms and Conditions and the relevant set of Terms and Conditions as set out in the Prospectus, taken together shall constitute the Conditions. The Final Terms shall determine which of Option I, II or III of the Terms and Conditions are applicable to the individual Series by referring to the relevant provisions of the relevant set of Terms and Conditions as set out in the Prospectus only. The provisions of the Final Terms and the relevant set of Terms and Conditions as set out in the Prospectus, taken together, shall constitute the Conditions. Each global note representing a particular Series of Notes will have the Final Terms and the relevant set of Terms and Conditions as set out in the Prospectus attached.

**Determination of Options / Completion of Placeholders**

The Final Terms shall determine which of Option I, II or III shall be applicable to the individual Series of Notes. Each of the sets of Terms and Conditions of Option I, II, III contains also certain further options (characterised by indicating the respective optional provision through instructions and explanatory notes set out in square brackets within the text of the relevant set of Terms and Conditions as set out in the Prospectus) as well as placeholders (characterised by square brackets which include the relevant items) which will be determined by the Final Terms as follows:

*Determination of Options*

The Issuer will determine which options will be applicable to the individual Series either by replicating the relevant provisions in the Final Terms or by reference of the Final Terms to the respective sections of the relevant set of Terms and Conditions as set out in the Prospectus. If the Final Terms do not refer to an alternative or optional provision or such alternative or optional provision is not replicated therein it shall be deemed to be deleted from the Conditions.

*Completion of Placeholders*

The Final Terms will specify the information with which the placeholders in the relevant set of Terms and Conditions will be completed taking into account the categorisation requirements in Annex XX of the Commission Regulation (EC) No 809/2004 of 29 April 2004 as most recently amended by Commission Regulation (EU) No. 486/2012 of 30 March 2012 and Commission Regulation (EU) No. 862/2012 of 4 June 2012 (the "**Prospectus Regulation**"). In the case the provisions of the Final Terms and the relevant set of Terms and

Conditions, taken together, shall constitute the Conditions the relevant set of Terms and Conditions shall be deemed to be completed by the information contained in the Final Terms as if such information were inserted in the placeholders of such provisions.
All instructions and explanatory notes and text set out in square brackets in the relevant set of Terms and Conditions and any footnotes and explanatory text in the Final Terms will be deemed to be deleted from the Conditions.

**Controlling Language**

As to the **controlling language** of the respective Conditions, the Issuer anticipates that, in general, subject to any stock exchange or legal requirements applicable from time to time, and unless otherwise agreed between the Issuer and the relevant Dealer(s): in the case of Notes publicly offered, in whole or in part, in the Federal Republic of Germany or distributed, in whole or in part, to non-qualified investors in the Federal Republic of Germany, German will be the controlling language. If, in the event of such public offer or distribution to non-qualified investors, however, English is chosen as controlling language, a German language translation of the Conditions will be available from the respective offices of the Paying Agent in the Federal Republic of Germany and the Issuer, and in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V. Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited, the Guarantor, as specified under Address List on page 369 – 372 of this Prospectus.

# English Language Terms and Conditions

This Series of Notes is issued pursuant to an amended and restated agency agreement (the "**Agency Agreement**"), dated 6 June 2019, and made between Volkswagen Financial Services Aktiengesellschaft, Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd., Volkswagen Financial Services Australia Pty Limited, Citibank, N.A. as issuing and principal paying agent (the "**Issuing Agent**", which expression shall include any successor issuing agent) and Citibank Europe plc, Germany Branch as paying agent (together with the Issuing Agent, each the "**Paying Agent**", which expression shall include any successor and additional paying agent). **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** The Notes have the benefit of an unconditional and irrevocable guarantee (the "**Guarantee**") by Volkswagen Financial Services Aktiengesellschaft (the "**Guarantor**").**]**

**In the case the Final Terms applicable to an individual Tranche of Notes only refer to the further options contained in the set of Terms and Conditions for Option I, II or III (Reference Conditions) insert:**

**[**The provisions of these Terms and Conditions apply to the Notes as completed by the terms of the final terms which are attached hereto (the "**Final Terms**"). The blanks in the provisions of these Terms and Conditions which are applicable to the Notes shall be deemed to be completed by the information contained in Part I. of the Final Terms as if such information were inserted in the blanks of such provisions; alternative or optional provisions of these Terms and Conditions as to which the corresponding provisions of the Final Terms are not completed or are deleted shall be deemed to be deleted from these Terms and Conditions; and all provisions of these Terms and Conditions which are inapplicable to the Notes (including instructions, explanatory notes and text set out in square brackets) shall be deemed to be deleted from these Terms and Conditions, as required to give effect to the terms of the Final Terms. Copies of the Final Terms may be obtained free of charge at the specified office of the Issuing Agent and at the specified office of any Paying Agent, *provided* that, in the case of Notes which are not listed on any stock exchange, copies of the relevant Final Terms will only be available to Holders of such Notes.**]**

**TERMS AND CONDITIONS**
**ENGLISH LANGUAGE VERSION**

**Option I. Terms and Conditions for Notes with fixed interest rates**

**§ 1**
**CURRENCY, DENOMINATION, FORM AND TITLE, CERTAIN DEFINITIONS**

(1) *Currency and Denomination*. This Series of Notes (the "**Notes**") of **[insert relevant Issuer]** (the "**Issuer**") is being issued in **[insert Specified Currency]** (the "**Specified Currency**") in the aggregate principal amount **[in the case the Global Note is an NGN insert:** (subject to § 1(6))**]** of **[insert Aggregate Principal Amount]** (in words: **[insert Aggregate Principal Amount in words]**) and is divided into **[[insert Number of Notes to be issued in the Specified Denomination]** Notes in the principal amount of **[insert Specified Denomination]** (the "**Specified Denomination**").

(2) *Form and Title*. The Notes are issued in bearer form and represented by one global note (the "**Global Note**"). Title to the Notes shall pass in accordance with the rules of applicable law. Neither the Issuer **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** nor the Guarantor**]** nor the Issuing Agent nor any Paying Agent is obliged to examine the title of any person presenting Notes.

**In the case of Notes which are initially represented by a Temporary Global Note insert:**

**[**(3) *Temporary Global Note – Exchange*.

(a) The Notes are initially represented by a temporary global note (the "**Temporary Global Note**") **[in the case of Fixed Rate Notes other than Zero Coupon Notes insert:** without interest coupons**]**.

The Temporary Global Note will be exchangeable, as provided below, for Notes represented by a permanent global note (the "**Permanent Global Note**") **[in the case of Fixed Rate Notes other than Zero Coupon Notes insert:** without interest coupons**]**. Definitive Notes will not be issued and the right of the Holder to request the issue and delivery of definitive Notes shall be excluded.

(b) The Temporary Global Note shall be exchanged for Notes represented by the Permanent Global Note on a date (the "**Exchange Date**") not earlier than 40 days after the date of issue of the Temporary Global Note. Such exchange shall only be made upon delivery by the relevant account holder to the Clearing System, and by the Clearing System to the Issuing Agent, of certificates in the form available from the Issuing Agent for such purpose, to the effect that the beneficial owner or owners of the Notes represented by the Temporary Global Note is not a U.S. person (other than certain financial institutions or certain persons holding through such financial institutions). The certifications shall be in compliance with the applicable United States Treasury Regulations. Payment of interest on Notes represented by a Temporary Global Note will be made only after delivery of such certifications. A separate certification shall be required in respect of each such payment of interest. Any such certification received on or after the 40th day after the date of issue of the Temporary Global Note will be treated as a request to exchange such Temporary Global Note pursuant to this subparagraph (b). Any Permanent Global Note delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States (as defined in paragraph (3) of § 6).**]**

**In the case of Notes which are initially represented by a Permanent Global Note insert:**

**[**(3) *Permanent Global Note*.

The Notes are represented by a permanent global note (the "**Permanent Global Note**") **[in the case of Fixed Rate Notes other than Zero Coupon Notes insert:** without interest coupons**]**. Definitive Notes will not be issued and the right of the Holder to request the issue and delivery of definitive Notes shall be excluded.**]**

(4) *Clearing System.*

The Global Note will be kept in custody by or on behalf of the Clearing System until all obligations of the Issuer under the Notes have been satisfied.

**In the case of Notes kept in custody on behalf of the ICSDs and the Global Note is a NGN insert:**

**[**The Notes are issued in new global note ("**NGN**") form and are kept in custody by a common safekeeper on behalf of both ICSDs.**]**

**In the case of Notes kept in custody on behalf of the ICSDs and the Global Note is a CGN insert:**

**[**The Notes are issued in classical global note ("**CGN**") form and are kept in custody by a common depositary on behalf of both ICSDs.**]**

(5) *Execution of Notes.* Global Notes shall be executed manually on behalf of the Issuer by two authorised representatives of the Issuer and shall be authenticated by or on behalf of the Issuing Agent.

**In the case the Global Note is an NGN insert:**

**[**(6) *Records of the ICSDs*. The aggregate principal amount of Notes represented by the Global Note shall be the aggregate amount from time to time entered in the records of both ICSDs. The records of the ICSDs (which expression means the records that each ICSD holds for its customers which reflect the amount of such customer's interest in the Notes) shall be conclusive evidence of the aggregate principal amount of Notes represented by the Global Note and, for these purposes, a statement issued by an ICSD stating the amount of Notes so represented at any time shall be conclusive evidence of the records of the relevant

ICSD at that time.

On any redemption or payment of interest being made in respect of, or purchase and cancellation of, any of the Notes represented by the Global Note the Issuer shall procure that details of any redemption, payment or purchase and cancellation (as the case may be) in respect of the Global Note shall be entered *pro rata* in the records of the ICSDs and, upon any such entry being made, the aggregate principal amount of the Notes recorded in the records of the ICSDs and represented by the Global Note shall be reduced by the aggregate amount of the Notes so redeemed or purchased and cancelled.

**[in the case the Temporary Global Note is an NGN insert:** On an exchange of a portion only of the Notes represented by a Temporary Global Note, the Issuer shall procure that details of such exchange shall be entered pro rata in the records of the ICSDs.**]]**

**[**(7)**]** *Certain Definitions.* For purposes of the Terms and Conditions:

"**Clearing System**" means **[**each of**] [**Clearstream Banking AG, Frankfurt am Main ("**CBF**")**] [**Euroclear Bank SA/NV ("**Euroclear**")**][,] [**and**] [,] [**Clearstream Banking, société anonyme, Luxembourg, ("**CBL**")**] [**(Euroclear and CBL, each an "**ICSD**" and together the "**ICSDs**")**][,] [**and**] [specify any other Clearing System]**.

"**Holder**" means, in respect of Notes deposited with any Clearing System or other central securities depository, any holder of a proportionate co-ownership or other beneficial interest or right in the Notes so deposited, and otherwise the bearer of a Note.

"**Paying Agent**" means the Issuing Agent in its capacity as principal paying agent, acting through its office specified in § 7, the Paying Agent**[**s**]** as further specified in § 7, or any substitute or additional paying agent appointed under § 7.

References herein to the "**Notes**" are references to Notes of this Series and shall, as the context requires, include reference to any Global Note.

References herein to a "**Specified Currency**" shall include any successor currency provided for by the laws in force in the jurisdiction where the Specified Currency is issued or pursuant to intergovernmental agreement or treaty (a "**Successor Currency**") to the extent that payment in the predecessor currency is no longer a legal means of payment by the Issuer on the Notes **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** or, in the event of payments under the Guarantee, by the Guarantor under the Guarantee**]**.

## § 2
## STATUS

The Notes constitute unsecured and senior obligations of the Issuer and rank *pari passu* without any preference among themselves and *pari passu* with all other unsecured and senior obligations of the Issuer unless statutory provisions provide otherwise.

## § 3
## INTEREST

**In the case of Fixed Rate Notes other than Zero Coupon Notes insert:**

**[**(1) *Rate of Interest and Interest Payment Dates.*

**[in the case of Fixed Rate Notes with a constant interest rate insert:** The Notes bear interest on their aggregate principal amount at the rate of **[insert Fixed Interest Rate]** per cent. *per annum* from (and including) **[insert Interest Commencement Date]** (the "**Interest Commencement Date**") to (but excluding) the Maturity Date (as defined in § 4).

**[In the case of Fixed Rate Notes with different specified fixed interest rates for specified interest periods (step-up/step-down) insert:** The Notes shall bear interest on their aggregate principal amount as follows:

| from (and including) | to (but excluding) | per cent. *per annum* |
|---|---|---|
| **[insert specified dates]** | **[insert specified dates]** | **[insert specified rates]]** |

Interest shall be payable **[**annually**] [**semi-annually**] [**quarterly**] [**monthly**]** in arrears on **[insert Fixed Interest Date(s)]** (each such date, an "**Interest Payment Date**"). The first payment of interest shall be made on **[insert First Interest Payment Date] [if First Interest Payment Date is not first anniversary of Interest Commencement Date insert:** and will amount to **[insert Initial Broken Amount per Specified Denomination]** per Specified Denomination**]**. **[if Maturity Date is not a Fixed Interest Date insert:** Interest in respect of the period from (and including) **[insert Fixed Interest Date preceding the Maturity Date]** to (but excluding) the Maturity Date will amount to **[insert Final Broken Amount(s)].] [If Actual/Actual (ICMA) is applicable insert:** The number of Interest Payment Dates per calendar year (each a "**Determination Date**") is **[insert number of regular interest payment dates per calendar year]**.**]**

(2) *Accrual of Interest.* If the Issuer shall fail to redeem the Notes when due, interest shall continue to accrue on the outstanding aggregate principal amount of the Notes beyond the due date until the actual redemption of the Notes, but not beyond the fourteenth day after notice has been given by the Issuing Agent in accordance with § **[**15**]** that the funds required for redemption have been provided to the Issuing Agent. The applicable Rate of Interest will be the default rate of interest established by law.[1]

(3) *Calculation of Interest for Partial Periods.* If interest is required to be calculated for a period of less or more than a full year, such interest shall be calculated on the basis of the Day Count Fraction (as defined below).**]**

**In the case of Zero Coupon Notes insert:**

**[**(1) *No Periodic Payments of Interest.* There will not be any periodic payments of interest on the Notes.

(2) *Accrual of Interest.* If the Issuer shall fail to redeem the Notes when due, interest shall accrue on the outstanding aggregate principal amount of the Notes at the rate of **[insert Amortisation Yield]** (the "**Amortisation Yield**") from the due date to the date of actual redemption but not beyond the fourteenth day after notice has been given by the Issuing Agent in accordance with § **[**15**]** that the funds required for redemption have been provided to the Issuing Agent.**]**

**[([●])]** *Day Count Fraction.* "**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Note for any period of time (the "**Calculation Period**"):

**In the case of Actual/Actual (ISDA) insert:**

**[**the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365).**]**

**In the case of Actual/Actual (ICMA) insert:**

**[**1. If the Calculation Period (from and including the first day of such period but excluding the last) is equal to or shorter than the Determination Period during which the Calculation Period ends, the number of days in such Calculation Period (from and including the first day of such period but excluding the last) divided by the product of (1) the number of days in such Determination Period and (2) the

[1] The default rate of interest established by law is five percentage points above the basic rate of interest published by Deutsche Bundesbank from time to time, §§ 288 paragraph 1, 247 BGB (German Civil Code).

number of Interest Payment Dates that occur in one calendar year or that would occur in one calendar year if interest were payable in respect of the whole of such year; or

2. if the Calculation Period is longer than the Determination Period during which the Calculation Period ends, the sum of: (A) the number of days in such Calculation Period falling in the Determination Period in which the Calculation Period begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Interest Payment Dates that occur in one calendar year or that would occur in one calendar year if interest were payable in respect of the whole of such year, and (B) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Interest Payment Dates that occur in one calendar year or that would occur in one calendar year if interest were payable in respect of the whole of such year.

"**Determination Period**" means the period from (and including) the Interest Commencement Date to (but excluding) the first Interest Payment Date or from (and including) each Interest Payment Date to (but excluding) the next Interest Payment Date. **[in the case of a short first or last Calculation Period insert:** For the purposes of determining the relevant Determination Period only, **[insert Deemed Interest Commencement Date or Deemed Interest Payment Date]** shall be deemed to be an **[**Interest Commencement Date**] [**Interest Payment Date**].] [In the case of a long first or last Calculation Period insert:** For the purposes of determining the relevant Determination Period only, **[insert Deemed Interest Commencement Date and/or Deemed Interest Payment Date(s)]** shall **[**each**]** be deemed to be an **[**Interest Commencement Date**] [**and**] [**Interest Payment Date**[**s**]].]]**

**In the case of Actual/365 (Fixed) insert:**

**[**the actual number of days in the Calculation Period divided by 365.**]**

**In the case of Actual/360 insert:**

**[**the actual number of days in the Calculation Period divided by 360.**]**

**In the case of 30/360, 360/360 or Bond Basis insert:**

**[**the number of days in the Calculation Period divided by 360, the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (i) the last day of the Calculation Period is the 31$^{st}$ day of a month but the first day of the Calculation Period is a day other than the 30$^{th}$ or 31$^{st}$ day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (ii) the last day of the Calculation Period is the last day of the month of February in which case the month of February shall not be considered to be lengthened to a 30-day month).**]**

**In the case of 30E/360 or Eurobond Basis insert:**

**[**the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of the final Calculation Period, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month).**]**

## § 4
## REDEMPTION

Unless previously redeemed in whole or in part or purchased and cancelled, the Notes shall be redeemed at their Redemption Amount on **[insert Maturity Date]** (the "**Maturity Date**"). The Redemption Amount in respect of each Note shall be **[insert Redemption Amount]**[2] per Specified Denomination.

## § 5

[2] The Redemption Amount shall at least be equal to the nominal value.

**EARLY REDEMPTION**

(1) *Early Redemption for Reasons of Taxation*. If as a result of any amendment to, or change in, the laws or regulations of **[in the case of Notes issued by Volkswagen Financial Services N.V. insert:** The Netherlands or**] [in the case of Notes issued by Volkswagen Financial Services Japan Ltd. insert:** Japan or**] [in the case of Notes issued by Volkswagen Financial Services Australia Pty Limited insert:** the Commonwealth of Australia or**]** the Federal Republic of Germany or any political subdivision or taxing authority thereto or therein affecting taxation or the obligation to pay duties of any kind, or any amendment to or change in an official interpretation or application of such laws or regulations, which amendment or change is effective on or after **[insert Issue Date]**, the Issuer **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** or the Guarantor**]** is required to pay Additional Amounts (as defined in § 8 herein **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** and in the Guarantee, respectively**]**) **[in the case of Fixed Rate Notes other than Zero Coupon Notes insert:** on the next succeeding Interest Payment Date (as defined in § 3(1))**] [in the case of Zero Coupon Notes insert:** at maturity or upon the sale or exchange of any Note**]**, and this obligation cannot be avoided by the use of reasonable measures available to the Issuer **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** or the Guarantor**]**, the Notes may be redeemed, in whole but not in part, at the option of the Issuer, upon not more than 60 days' nor less than 30 days' prior notice of redemption at their Early Redemption Amount (as defined below), together with interest accrued to the date fixed for redemption.

However, no such notice of redemption may be given (i) earlier than 90 days prior to the earliest date on which the Issuer **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited:** or the Guarantor**]** would be obligated to pay such Additional Amounts or make such deduction or withholding in respect of the Notes then due, or (ii) if at the time such notice is given, such obligation to pay such Additional Amounts or make such deduction or withholding does not remain in effect.

Any such notice shall be given in accordance with § **[**15**]**. It shall be irrevocable, must specify the date fixed for redemption and must set forth a statement in summary form of the facts constituting the basis for the rights of the Issuer so to redeem (the "**Termination Event**"); it must also contain a statement to the effect that the Issuer **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** or, to the extent that the Termination Event relates to unavoidable payments in respect of the Guarantee, the Guarantor respectively,**]** cannot, in its judgement, avoid the occurrence or continuation of the Termination Event by taking reasonable measures available to it.

**If Notes are subject to Early Redemption at the option of the Issuer insert:**

**[[**(2)**]** *Early Redemption at the Option of the Issuer*.

(a) The Issuer may, upon notice given in accordance with subparagraph (b), redeem all or only some of the Notes on the Call Redemption Date(s) or at any time thereafter until the respective subsequent Call Redemption Date at the respective Call Redemption Amount(s) set forth below together with accrued interest, if any, to (but excluding) the respective Call Redemption Date. **[if Minimum Redemption Amount or Higher Redemption Amount applies insert:** Any such redemption must be of a principal amount equal to **[**at least **[insert Minimum**

**Redemption Amount]] [insert Higher Redemption Amount].]**

| Call Redemption Date(s) **[insert Call Redemption Date(s)]** | Call Redemption Amount(s) **[insert Call Redemption Amount(s)]** |
|---|---|
| **[_____]** | **[_____]** |
| **[_____]** | **[_____]** |

**[if Notes are subject to Early Redemption at the Option of the Holder insert:** The Issuer may not exercise such option in respect of any Note which is the subject of the prior exercise by the Holder thereof of its option to require the redemption of such Note under paragraph **[**(4)**]** of this § 5.**]**

(b) Notice of redemption shall be given by the Issuer to the Holders of the Notes in accordance with § **[**15**]**. Such notice shall specify:

(i) the Series of Notes subject to redemption;

(ii) whether such Series is to be redeemed in whole or in part only and, if in part only, the aggregate principal amount of the Notes which are to be redeemed;

(iii) the Call Redemption Date, which shall be not less than **[insert Minimum Notice to Holders]** nor more than **[insert Maximum Notice to Holders]** days after the date on which notice is given by the Issuer to the Holders; and

(iv) the Call Redemption Amount at which such Notes are to be redeemed.

**[if Notes are represented by a Permanent Global Note insert:** Notes represented by a Permanent Global Note shall be selected in accordance with the rules and procedures of the relevant Clearing System. **[In the case of Notes in NGN form insert:** Such partial redemption shall be reflected in the records of CBL and Euroclear as either a pool factor or a reduction in aggregate principal amount, at the discretion of CBL and Euroclear.**]]]**

**If the Notes are subject to Early Redemption at the Option of a Holder insert:**

**[[**(3)**]** *Early Redemption at the Option of a Holder*.

(a) The Issuer shall, upon the exercise of the relevant option by the Holder of any Note, redeem such Note on the Put Redemption Date(s) at the Put Redemption Amount(s) set forth below together with accrued interest, if any, to (but excluding) the Put Redemption Date.

| Put Redemption Date(s) **[insert Put Redemption Date(s)]** | Put Redemption Amount(s) **[insert Put Redemption Amount(s)]** |
|---|---|
| **[_____]** | **[_____]** |
| **[_____]** | **[_____]]** |

The Holder may not exercise such option in respect of any Note which is the subject of the prior exercise by the Issuer of its option to redeem such Note under this § 5.

(b) In order to exercise such option, the Holder must, not less than **[insert Minimum Notice to Issuer]** and not more than **[insert Maximum Notice to Issuer]** days before the Put Redemption Date on which such redemption is required to be made as specified in the Put Notice (as defined below), send to the specified office of any Paying Agent an early redemption notice in text form (e.g. email or fax) or in written form ("**Put Notice**") in the form available from the specified office of any of the Paying Agents. No option so exercised may be withdrawn or revoked.**]**

**[**(4)**]** *Early Redemption Amount*.

**In the case of Fixed Rate Notes other than Zero Coupon Notes insert:**

**[**For purposes of paragraph (1) of this § 5 and § 9, the Early Redemption Amount of a Note shall be **[**the Redemption Amount**] [insert other Early Redemption Amount]**.**]**

**In the case of Zero Coupon Notes insert:**

**[**(a) For purposes of paragraph (1) of this § 5 and § 9, the Early Redemption Amount of a Note shall be equal to the Amortised Face Amount of the Note.

(b) The Amortised Face Amount of a Note shall be an amount equal to the sum of:

(i) **[insert Reference Price]** (the "**Reference Price**"), and

(ii) the product of the Amortisation Yield (as defined in § 3) (compounded annually) and the Reference Price from (and including) **[insert Issue Date]** to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the Notes become due and payable.

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year (the "**Calculation Period**") shall be made on the basis of the Day Count Fraction (as defined in § 3).

(c) If the Issuer fails to pay the Early Redemption Amount when due, the Amortised Face Amount of a Note shall be calculated as provided herein, except that references in subparagraph (b)(ii) above to the date fixed for redemption or the date on which such Note becomes due and repayable shall refer to the earlier of (i) the date on which upon due presentation and surrender of the relevant Note (if required), payment is made, and (ii) the fourteenth day after notice has been given by the Issuing Agent in accordance with § [15] that the funds required for redemption have been provided to the Issuing Agent.]

## § 6
## PAYMENTS

(1) (a) *Payment of Principal*.

Payment of principal in respect of Notes shall be made, subject to paragraph (2) below, to the Clearing System or to its order for credit to the accounts of the relevant accountholders of the Clearing System upon presentation and surrender of the Global Note at the specified office of any Paying Agent outside the United States.

**In the case of Fixed Rate Notes other than Zero Coupon Notes insert:**

**[**(b) *Payment of Interest*. Payment of interest on Notes represented by a Permanent Global Note shall be made, subject to paragraph (2), to the Clearing System or to its order for credit to the relevant accountholders of the Clearing System. Payment of interest will only be made outside of the United States.

**[In the case of interest payable on a Temporary Global Note insert:** Payment of interest on Notes represented by a Temporary Global Note shall be made, subject to paragraph (2), to the Clearing System or to its order for credit to the relevant accountholders of the Clearing System, upon due certification as provided in § 1 (3) (b).**]]**

(2) *Manner of Payment.* Subject to applicable fiscal and other laws and regulations, payments of amounts due in respect of the Notes shall be made in the Specified Currency.

(3) *United States.* For purposes of **[in the case of Notes which are initially represented by a Temporary Global Note insert:** § 1 (3) and of**]** paragraph (1) of this § 6, "**United States**" means the United States of

America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands).

(4) *Discharge.* The Issuer **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited:** or, as the case may be, the Guarantor,**]** shall be discharged by payment to, or to the order of, the Clearing System.

(5) *Payment Business Day*. If the date for payment of any amount in respect of any Note is not a Payment Business Day then the Holder shall not be entitled to payment until the next such day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay.

For these purposes, "**Payment Business Day**" means any day (other than a Saturday or a Sunday) (i) on which the Clearing System settles payments**[**,**]** **[**and**]** **[**(ii)**]** **[in the case Relevant Financial Centres are applicable insert:** on which commercial banks and foreign exchange markets settle payments in **[**London**]** **[insert all Relevant Financial Centres]]** **[**and**]** **[**(iii)**]** **[in the case TARGET is applicable insert:** on which all relevant parts of the Trans-European Automated Real-time Gross settlement Express Transfer system 2 ("**TARGET2**") are open to effect payments**]**.

**In the case the Specified Currency is Turkish Lira insert:**

**[**(6) *Payment of U.S. Dollar Equivalent.* Notwithstanding the foregoing, if the Issuer is not able to satisfy payments of principal or interest (in whole or in part) in respect of the Notes when due in Turkish Lira, the Issuer shall, by sending an irrevocable notice not less than five or more than 30 calendar days prior to the due date for payment to the Holders, settle any such payment (in whole or in part) in U.S. Dollars on the due date at the U.S. Dollar Equivalent of any such Turkish Lira denominated amount. In case the Issuer needs to satisfy payments of principal or interest in part in Turkish Lira and in part in U.S. Dollars, it shall to the extent possible make payment to each Holder in the same pro rata amount of Turkish Lira and U.S. Dollar in accordance with the rules of the Clearing System from time to time.

For the purpose of these Terms and Conditions, "**U.S. Dollar Equivalent**" means the Turkish Lira amount converted in U.S. Dollars using the Spot Rate for the relevant Spot Rate Determination Date.
"**Calculation Agent**" means the **[**Issuing Agent in its capacity as principal paying agent, acting through its office specified in § 7**][**the Calculation Agent as specified under § 7**]**, or any substitute or additional calculation agent appointed under § 7.

**"Spot Rate Determination Business Day"** means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in each of London, New York City, TARGET and in Istanbul.

**"Spot Rate Determination Date"** means the day which is three Determination Business Days before the due date for any payment of the relevant amount under these Terms and Conditions.
**"Spot Rate"** means the Turkish Lira (TRY) / U.S. Dollar (USD) exchange rate (expressed as an amount of TRY per unit of U.S. dollar), as determined by the Calculation Agent at or around 11 a.m. (Istanbul time) on the Spot Rate Determination Date, by reference to Reuters Screen Page **"Europe Spots"** (RIC:EFX=) (or any successor or replacement service or page).
If no such rate is available, the Calculation Agent will determine the Spot Rate at or around 11 a.m. (Istanbul time) on the Spot Rate Determination Date as the most recently available TRY/USD official fixing rate available on this Screen Page.

All notifications, opinions, determinations, certificates, calculations,

quotations and decisions given, expressed, made or obtained for the purposes of the provision of this paragraph by the Calculation Agent, will (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Agents and all Holders.**]**

(**[**7**]**) *References to Principal and Interest.* Reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable: the Redemption Amount of the Notes; the Early Redemption Amount of the Notes; **[if redeemable at the option of the Issuer for other than taxation reasons insert:** the Call Redemption Amount(s) of the Notes;**] [if redeemable at the option of the Holder insert:** the Put Redemption Amount(s) of the Notes;**] [in the case of Zero Coupon Notes insert:** the Amortised Face Amount;**]** and any premium and any other amounts which may be payable under or in respect of the Notes.

Reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any Additional Amounts which may be payable under § 8.

(**[**8**]**) *Deposit of Principal and Interest.* The Issuer may deposit with the local court (*Amtsgericht*) in Frankfurt am Main principal or interest not claimed by Holders within twelve months after the Maturity Date, even though such Holders may not be in default of acceptance. If and to the extent that the deposit is effected and the right of withdrawal is waived, the respective claims of such Holders against the Issuer shall cease.

## § 7
## ISSUING AGENT[,] [AND] PAYING AGENT[S][AND THE CALCULATION AGENT]

(1) *Appointment; Specified Offices.* The initial Issuing Agent[,][and] Paying Agent**[**s**]** **[**and the Calculation Agent**]** and their respective initial specified offices are:

| | |
|---|---|
| Issuing Agent and Principal Paying Agent: | Citibank, N.A.<br>Citigroup Centre<br>Canary Wharf<br>London E14 5LB<br>United Kingdom |
| Paying Agent**[**s**]**: | **[**Citibank Europe plc, Germany Branch<br>Reuterweg 16<br>60323 Frankfurt am Main<br>Federal Republic of Germany**]**<br><br>**[insert other Paying Agents and specified offices]** |

**If the Issuing Agent shall act as Calculation Agent insert:**

**[**The Issuing Agent shall also act as Calculation Agent.**]**

**If the Issuing Agent shall not act as Calculation Agent insert:**

| | |
|---|---|
| **[**Calculation Agent: | **[insert name and specified office]]** |

The Issuing Agent**[**,**]** **[**and**]** the Paying Agent**[**s**]** **[**and the Calculation Agent**]** reserve the right at any time to change their respective specified offices to some other specified office in the same city.

(2) *Variation or Termination of Appointment.* The Issuer reserves the right at any time to vary or terminate the appointment of the Issuing Agent or any Paying Agent **[**or the Calculation Agent**]** and to appoint another Issuing Agent or additional or other Paying Agents **[**or another Calculation Agent**]**. The Issuer shall at all times maintain (i) an Issuing Agent **[**,**]** **[**and**]** (ii) a Paying Agent in addition to the Issuing Agent with a specified office in a

continental European city **[in the case of Notes listed on a stock exchange and the rules and regulations of such stock exchange so require insert: [**,**] [**and**]** (iii) so long as the Notes are listed on the **[insert name of Stock Exchange]**, a Paying Agent (which may be the Issuing Agent) with a specified office in **[insert location of Stock Exchange]** and/or in such other place as may be required by such stock exchange**] [in the case the Specified Currency is U.S. Dollars insert:** and **[**(iv)**]** if payments at or through the offices of all Paying Agents outside the United States (as defined in § 6 (3)) become illegal or are effectively precluded because of the imposition of exchange controls or similar restrictions on the full payment or receipt of such amounts in United States dollars, a Paying Agent with a specified office in New York City**]**.
**[insert if Calculation Agent is required to maintain a specified office in a required location: [**,**] [**and**] [(**v**)]** a Calculation Agent with a specified office located in **[**insert required location**]].**

Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Holders in accordance with § **[**15**]**.

(3) *Agents of the Issuer.* The Issuing Agent**[**,**] [**and**]** the Paying Agent**[**s**] [**and the Calculation Agent**]** act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for any Holder.

## § 8
## TAXATION

All amounts payable in respect of the Notes shall be made without deduction or withholding for or on account of, any present or future taxes, duties or governmental charges of any nature whatsoever imposed, levied or collected by or in or on behalf of **[in the case of Notes issued by Volkswagen Financial Services N.V. insert:** The Netherlands or**] [in the case of Notes issued by Volkswagen Financial Services Japan Ltd. insert:** Japan or**] [in the case of Notes issued by Volkswagen Financial Services Australia Pty Limited insert:** the Commonwealth of Australia or**]** the Federal Republic of Germany or any political subdivision or taxing authority therein or thereof or the United States of America or any political subdivision on taxing authority therein or thereof ("**Withholding Taxes**") unless such withholding or deduction is required by law. In that event, subject to the exceptions set forth below, the Issuer shall pay such additional amounts (the "**Additional Amounts**") as may be necessary in order that the net amounts received by the Holders of such Notes, after deduction or withholding for or on account of such Withholding Taxes, shall equal the respective amounts which would have been receivable had no such deduction or withholding been required. No such Additional Amounts shall, however, be payable on account of any taxes, duties or governmental charges which:

(1) are payable by any person acting as custodian bank or collecting agent on behalf of a Holder, or otherwise in any manner which does not constitute a deduction or withholding by the Issuer from payments of principal or interest made by it; or

(2) are payable by reason of a change in law (or by reason of any application or official interpretation of any law or regulation) that becomes effective more than 30 days after the relevant payment becomes due, or, if this occurs later, is duly provided for and notice thereof is given in accordance with § **[**15**]**; or

(3) are deducted or withheld by a Paying Agent from a payment if the payment could have been made by another Paying Agent without such deduction or withholding; or

(4) are payable by reason of the Holder having, or having had, some personal or business connection with **[in the case of Notes issued by Volkswagen Financial Services N.V.:** The Netherlands or**] [in the case**

**of Notes issued by Volkswagen Financial Services Japan Ltd.:** Japan or**] [in the case of Notes issued by Volkswagen Financial Services Australia Pty Limited insert:** the Commonwealth of Australia or**]** the Federal Republic of Germany other than the mere fact of his holding the Notes or not merely by reason of the fact that payments in respect of the Notes **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** or under the Guarantee (as defined in § 10 hereof)**]** are, or for purposes of taxation are deemed to be, derived from sources in, or are secured in **[in the case of Notes issued by Volkswagen Financial Services N.V.:** The Netherlands or**] [in the case of Notes issued by Volkswagen Financial Services Australia Pty Limited insert:** the Commonwealth of Australia or**]** the Federal Republic of Germany; or

(5) are deducted or withheld pursuant to (i) any European Union Directive or Regulation concerning the taxation of interest income, or (ii) any international treaty or understanding relating to such taxation and to which **[in the case of Notes issued by Volkswagen Financial Services N.V. insert:** The Netherlands or**] [in the case of Notes issued by Volkswagen Financial Services Japan Ltd. insert:** Japan or**] [in the case of Notes issued by Volkswagen Financial Services Australia Pty Limited insert:** the Commonwealth of Australia or**]** the Federal Republic of Germany or the European Union is a party, or (iii) any provision of law implementing, or complying with, or introduced to conform with, such Directive, Regulation, treaty or understanding, or (iv) sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended, and any current or future regulations or official interpretations thereof or agreement thereunder (including, without limitation, any intergovernmental agreement between the U.S. and any other jurisdiction or any treaty, law, regulation or other official guidance enacted to implement such intergovernmental agreement) ("**FATCA**"); **[**or**]**

(6) would not be payable if the Notes had been kept in safe custody with, and the payments had been collected by, a banking institution**[**.**][**; or**]**

**In the case of Notes issued by VWFSJ insert:**

**[**(7) are payable in respect of a payment in relation to Notes issued by VWFSJ, where the amount of interest on such Note is to be calculated by reference to certain indicators (as prescribed under the cabinet order relating to Article 6, paragraph 4 of the Special Taxation Measures Law of Japan) relating to VWFSJ or a person or entity having a special relationship with VWFSJ, as provided in Article 6, paragraph 4 of the Special Taxation Measures Law of Japan (a "**specially-related person of VWFSJ**"), except where the recipient of interest is a Japanese designated financial institution described in Article 6, paragraph 9 of the Special Taxation Measures Law of Japan which has complied with the requirements under that paragraph; or

(8) are deducted or withheld pursuant to the Special Taxation Measures Law of Japan in respect of a payment in relation to Notes issued by VWFSJ. Interest payments on the Notes to be paid to an individual resident of Japan, to a Japanese corporation (except for (i) a Japanese designated financial institution described in Article 6, paragraph 9 of the Special Taxation Measures Law which has complied with the requirements under that paragraph and (ii) a public corporation, a financial institution or a financial instruments business operator, etc., as provided in Article 3-3, paragraph 6 of the Special Taxation Measures Law which receives the interest payments through its payment handling agent in Japan and complies with the requirement for tax exemption under that paragraph), or to an individual non-resident of Japan or a non-Japanese corporation that in either case is a specially-related person of VWFSJ will be subject to deduction in respect of Japanese income tax at a rate of 15 per cent. (as for the period beginning on 1 January 2013 and ending on 31 December 2037, 15.315 per cent.) of the amount of such interest.**]**

**In the case of Notes issued by Volkswagen Financial**

**[**(7) are payable by reason of the Holder being a person who could lawfully avoid (but has not so avoided) such deduction or withholding by complying

**Services Australia Pty Limited insert:**

or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where the relevant Note is presented for payment; or

(8) are payable by reason of the Holder (or a person on behalf of the Holder) to provide an Australian Business Number, an Australian Tax File Number or details of any relevant exemption from these requirements; or

(9) are payable by reason of the Australian Commissioner of Taxation giving a notice under Section 255 of the Income Tax Assessment Act 1936 of Australia or Section 260-5 of Schedule One to the Taxation Administration Act 1953 of Australia; or

(10) are payable by reason of the Holder, or a person with an interest in the Notes being an Offshore Associate of the Issuer acting other than in the capacity of a clearing house, paying agent, custodian, funds manager or responsible entity of a registered scheme within the meaning of the Corporations Act 2001 of Australia. "**Offshore Associate**" means an associate (as defined in section 128F(9) of the Income Tax Assessment Act 1936 of Australia) of the Issuer that is either:

(a) a non-resident of Australia which does not acquire the Notes, or an interest in the Notes, in the course of carrying on a business at or through a permanent establishment in Australia; or

(b) a resident of Australia that acquires the Notes, or an interest in the Notes, in the course of carrying on a business at or through a permanent establishment outside Australia.**]**

## § 9
## EVENTS OF DEFAULT

(1) *Events of Default*. Each Holder shall be entitled to declare his Notes due and demand immediate redemption thereof at the Early Redemption Amount (as described in § 5**[**(4)**]**), together with accrued interest (if any) to the date of repayment, in the event that:

(a) any amount due under the Notes has not been paid within 30 days from the relevant due date; or

(b) the Issuer fails duly to perform any other obligation arising from the Notes **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** or the Guarantor should fail to perform any obligation arising from the Undertaking (as defined in § 10) contained in the Guarantee**]** and such failure continues unremedied for more than 90 days after the Issuing Agent has received notice thereof from a Holder; or

(c) the Issuer **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** or the Guarantor**]** announces its inability to meet its financial obligations; or

(d) a court opens bankruptcy or other insolvency proceedings against the Issuer **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** or the Guarantor,**]** or such proceedings are instituted and have not been discharged or stayed within 60 days, or the Issuer **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** or the Guarantor**]** applies for or institutes such proceedings **[in the case of Notes issued by Volkswagen Financial Services N.V.:** or the Issuer

applies for a "*Surseance van Betaling*" (within the meaning of the Statutes of Bankruptcy of The Netherlands ("*Faillissementswet*")**]**; or

(e) the Issuer **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** or the Guarantor**]** goes into liquidation unless this is done in connection with a merger, consolidation or other form of combination with another company and such other or new company assumes all obligations contracted by the Issuer **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** or the Guarantor, as the case may be**]**, in connection with the issue of the Notes **[.] [**; or**]**

**[In the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:**

(f) the Guarantee ceases to be in full form and effect.**]**

(2) *Termination*. The right to declare Notes due shall terminate if the situation giving rise to it has been cured before the right is exercised.

(3) *Notice*. Any notice, including any notice declaring Notes due, in accordance with this § 9 shall be made in text form (e.g. email or fax) or in written form in the German or English language sent to the specified office of the Issuing Agent and shall state the principal amount of the relevant Notes and shall enclose evidence of ownership reasonably satisfactory to the Issuing Agent.

## § 10
## NEGATIVE PLEDGE OF THE ISSUER
## [, GUARANTEE AND UNDERTAKING OF THE GUARANTOR]

(1) *Negative Pledge*. So long as any of the Notes remain outstanding, but only up to the time all amounts of principal and interest have been placed at the disposal of the Issuing Agent, the Issuer undertakes not to provide any security upon its assets for other notes or bonds including any guarantee or indemnity in respect thereof without at the same time having the Holders share equally and rateably in such security. For the avoidance of doubt, the undertaking contained in this § 10 shall not apply to security provided in connection with asset backed securities issued by subsidiaries of Volkswagen Financial Services AG, or by a special purpose vehicle where the Issuer is the originator of the underlying assets.

**[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:**

(2) *Guarantee.* Volkswagen Financial Services Aktiengesellschaft (the "**Guarantor**") has given its unconditional and irrevocable guarantee (the "**Guarantee**") for the due payment of the amounts corresponding to the principal of and interest on the Notes. In this Guarantee, the Guarantor has further undertaken (the "**Undertaking**"), as long as Notes are outstanding but only up to the time all amounts of principal and interest have been placed at the disposal of the Paying Agent, not to provide any security upon its assets for any Bond Issue, including any guarantee or indemnity in respect thereof without at the same time having the Holders share equally and rateably in such security. For the avoidance of doubt, the undertaking contained in this § 10 shall not apply to security provided in connection with asset backed securities issued by a Guarantor's subsidiary, or by a special purpose vehicle where a Guarantor's subsidiary is the originator of the underlying assets.

The Guarantee constitutes a contract for the benefit of the Holders from time to time as third party beneficiaries pursuant to § 328 paragraph 1 BGB (German Civil Code), giving rise to the right of each such Holder to require performance of the Guarantee directly from the Guarantor, and to enforce the

Guarantee directly against the Guarantor. Copies of the Guarantee may be obtained free of charge at the principal office of the Guarantor and at the Issuing Agent as set forth in § 7.

"**Bond Issue**" shall mean an issue of debt securities which is, or is intended to be, or is capable of being, quoted, listed or dealt in on any stock exchange, over- the-counter or other securities market.

**§ 11**
**SUBSTITUTION**

(1) *Substitution*. The Issuer shall without the consent of the Holders be entitled at any time to substitute for itself **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** either the Guarantor or**]** any other company, more than 90 per cent. of the shares or other equity interest carrying the right to vote of which are directly or indirectly owned by **[in the case of Notes issued by Volkswagen Financial Services Aktiengesellschaft insert:** it**] [in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** the Guarantor**]** as principal debtor in respect of all obligations arising from or in connection with the Notes (the "**Substitute Issuer**") provided that the Substitute Issuer is in a position to fulfil all payment obligations arising from or in connection with the Notes without the necessity of any taxes of duties to be withheld at source, and to transfer any amounts which are required therefor to the Issuing Agent without any restrictions. Any such substitution shall be notified in accordance with § **[**15**]**.

The Issuer irrevocably and unconditionally guarantees in favour of each Holder the payment of all sums payable by the Substitute Issuer in respect of the Notes on terms equivalent to the terms of the form of the senior guarantee of the Issuer in respect of senior Notes set out in the Agency Agreement.

(2) *References to the Issuer*. In the event of such substitution any reference in these Terms and Conditions to the Issuer shall from then on be deemed to refer to the Substitute Issuer, and any reference to the country in which the Issuer is domiciled shall from then on be deemed to refer to the country of domicile of the Substitute Issuer.

(3) *Negative Pledge*. **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** If the Guarantor becomes the Substitute Issuer, § 10(2) shall cease to apply, but the Undertaking of the Guarantor shall continue to be binding on it.**] [in the case of Notes issued by Volkswagen Financial Services Aktiengesellschaft insert:** If the Issuer will be substituted in its capacity as issuer, its negative pledge given in its capacity as issuer in accordance with § 10(1) shall continue to be binding on it.**]**

**In the case Notes are to provide for Resolution of Holders insert:**

**[§ [12]**
**RESOLUTIONS OF HOLDERS; COMMON REPRESENTATIVE**

**[**(1) *Amendments to the Terms and Conditions by Resolution of the Holders*. These Terms and Conditions may be amended by the Issuer with consent of the Holders based on majority resolution pursuant to § 5 et seq. of the German Act on Issues of Debt Securities, as amended from time to time (*Gesetz über Schuldverschreibungen aus Gesamtemissionen* – "**SchVG**"). In particular, the Holders may consent to amendments which materially change the substance of the Terms and Conditions, including such measures as provided for under § 5, Paragraph 3 of the SchVG. A duly passed majority resolution shall be binding upon all Holders.

(2) *Majority requirements*. Subject to the attainment of the required quorum, Holders decide with the majorities stated in § 5, Paragraph 4, Sentence 1 and 2 of the SchVG.

(3) *Procedure*. Resolutions of the Holders shall be made by means of a vote without a meeting (*Abstimmung ohne Versammlung*) in accordance with § 18 of the SchVG. Holders holding Notes in the total amount of 5 % of the outstanding principal amount of the Notes may request, in text form (e.g. email or fax) or in written form, the holding of a vote without a meeting pursuant to § 9 in connection with § 18 of the SchVG. The request for voting as submitted by the chairman (*Abstimmungsleiter*) will provide the further details relating to the resolutions and the voting procedure. Notice of the subject matter of the vote as well as the proposed resolutions shall be provided to Holders together with the request for voting.

(4) *Participation Right*. Holders must demonstrate their entitlement to participate in the vote at the time of voting by means of a special confirmation of their Custodian (as defined in § **[**16**][**(4)**][**(5)**]** (a) stating the full name and address of the Holder, (b) specifying the aggregate principal amount of Notes credited to the securities account on the date of such statement, and (c) confirming that the depositary bank has given written notice to the Clearing System containing the information pursuant to (a) and (b), and by submission of a blocking instruction by their depositary bank for the benefit of the Paying Agent as depository (*Hinterlegungsstelle*) for the voting period.

(5) *Common Representative*.

**If no Common Representative is designated in the Terms and Conditions but the Holders may appoint a Common Representative, insert:**

**[**The Holders may by majority resolution provide for the appointment or dismissal of a common representative, the duties and responsibilities and the powers of such common representative, the execution of the rights of the Holders to the common representative and a limitation of liability of the common representative. If the common representative is to be authorised to consent to a change in the material substance of the Conditions and which require a resolution passed by qualified majority within the meaning of § 5, Paragraph 4, Sentence 2 of the SchVG, such appointment requires a qualified majority.**]**

**If the Common Representative is appointed in the Terms and Conditions, insert:**

**[[Name, address, contact details to be inserted]**

shall hereby be appointed as common representative of the Holders (*gemeinsamer Vertreter*) pursuant to § 7 and § 8 of the SchVG.**]**

The common representative shall have the duties and powers provided by law or granted by majority resolutions of the Holders.

**If relevant insert further duties and powers of the Common Representative and provision on liability:**

**[**In addition, the common representative shall have the following duties and powers:

**[specify additional duties and powers].]**

**[**Unless the common representative is liable for wilful misconduct (*Vorsatz*) or gross negligence (*grobe Fahrlässigkeit*), the common representative's liability shall be limited to **[**ten times**][insert higher amount]** the amount of its annual remuneration.**]**

(6) *Notifications*. Any notices concerning this § 12(1) through (5) shall be made in accordance with § 5 et seq. of the SchVG and § **[**15**]** hereof.**]**

## § [13]
## PRESENTATION PERIOD, PRESCRIPTION

The presentation period provided in § 801 paragraph 1, sentence 1 BGB (German Civil Code) is reduced to ten years for the Notes and the period of limitation for claims under the Notes presented during the period for presentation shall be two years calculated from the expiry of the presentation period.

## § [14]
## FURTHER ISSUES, PURCHASES AND CANCELLATION

(1) *Further Issues*. The Issuer may from time to time, without the consent of the Holders, issue further Notes having the same terms and conditions as the Notes in all respects (or in all respects except for the issue date, interest commencement date and/or issue price) so as to form a single Series with the Notes.

(2) *Purchases*. The Issuer may at any time purchase Notes in the open market or otherwise and at any price. Notes purchased by the Issuer may, at the option of the Issuer, be held, resold or surrendered to any Paying Agent for cancellation. If purchases are made by tender, tenders for such Notes must be made available to all Holders of such Notes alike.

(3) *Cancellation*. All Notes redeemed in full shall be cancelled forthwith and may not be reissued or resold.

## § [15]
## NOTICES

**In the case of Notes which are listed on a Stock Exchange insert:**

**[**(1) *Publication.* All notices concerning the Notes shall be published **[if Germany is the home Member State insert:** in the Federal Gazette (*Bundesanzeiger*).**][if the publication is legally required to be made additionally in a newspaper authorised by the stock exchange in Luxembourg, insert:** to the extent legally required in one leading daily newspaper having general circulation in the Grand Duchy of Luxembourg. **[**This**][**These**]** newspaper**[**s**]** **[**is**]** **[**are**]** expected to be the **[***Tageblatt***]** **[***Luxemburger Wort***]** **[insert other applicable newspaper having general circulation]**.**]** Any notice so given will be deemed to have been validly given on the day of such publication (or, if published more than once, on the day of the first such publication).**]**

**If notices may be given by means of electronic publication on the website of the relevant Stock Exchange insert:**

**[**(**[**2**]**) *Electronic Publication.* All notices concerning the Notes will be made **[**additionally**]** by means of electronic publication on the internet website of the **[**Luxembourg Stock Exchange**]** **[insert relevant stock exchange]** (**[**www.bourse.lu**]** **[insert internet address]**). Any notice so given will be deemed to have been validly given on the day of such publication (or, if published more than once, on the day of the first such publication).**]**

(**[**3**]**) *Notification to Clearing System.*

**In the case of Notes which are unlisted insert:**

**[**The Issuer shall deliver all notices concerning the Notes to the Clearing System for communication by the Clearing System to the Holders. Any such notice shall be deemed to have been given to the Holders on the seventh day after the day on which the said notice was given to the Clearing System.**]**

**In the case of Notes which are listed on a Stock Exchange insert:**

**[**If the Rules of the **[insert relevant stock exchange]** so permit, the Issuer may deliver the relevant notice to the Clearing System for communication by the Clearing System to the Holders, in lieu of or in addition to the publication set forth in subparagraph **[**(2)**]** above; any such notice shall be deemed to have been given to the Holders on the seventh day after the day on which the said notice was given to the Clearing System.**]**

(**[**4**]**) *Form of Notice*. Notices to be given by any Holder shall be made in text form (e.g. email or fax) or in written form to be sent together with the relevant Note or Notes to the Issuing Agent. So long as any of the Notes are represented by a Global Note, such notice may be given by any Holder of a Note to the Agent through the Clearing System in such manner as the Agent and the Clearing System may approve for such purpose.

## § [16]
## APPLICABLE LAW, PLACE OF PERFORMANCE, PLACE OF JURISDICTION AND ENFORCEMENT

(1) *Applicable Law.* The Notes, as to form and content, and all rights and duties of the Holders and the Issuer, shall in all respects be determined in

accordance with German law. With respect to the rights and duties of **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** the Guarantor,**] [**and the**]** Paying Agents it has been agreed that German law shall also apply.

(2) *Place of Performance*. Place of performance shall be Frankfurt am Main.

(3) *Submission to Jurisdiction.* The place of jurisdiction for all proceedings arising out of or in connection with the Notes shall be Frankfurt am Main. The Holders, however, may also pursue their claims before courts in any other country in which assets of the Issuer are located. The German courts shall have exclusive jurisdiction over the annulment of lost or destroyed Notes. The Issuer hereby submits to the jurisdiction of the courts referred to in this paragraph.

**In the case of Notes issued by Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:**

**[**(4) *Appointment of Authorised Agent.* For any legal disputes or other proceedings before German courts, the Issuer appoints Volkswagen Financial Services Aktiengesellschaft, Gifhorner Strasse 57, 38112 Braunschweig, Federal Republic of Germany, as its authorised agent for service of process in Germany.**]**

**[**(5)**]** *Enforcement.* Any Holder of Notes through a Clearing System may in any proceedings against the Issuer, or to which such Holder and the Issuer are parties, protect and enforce in his own name his rights arising under such Notes on the basis of (i) a statement issued by the Custodian with whom such Holder maintains a securities account in respect of the Notes (a) stating the full name and address of the Holder, (b) specifying the aggregate principal amount of Notes credited to such securities account on the date of such statement and (c) confirming that the Custodian has given written notice to the Clearing System containing the information pursuant to (a) and (b) and (ii) a copy of the Note in global form certified as being a true copy by a duly authorised officer of the Clearing System or a Depository of the Clearing System, without the need for production in such proceedings of the actual records or the Global Note. For purposes of the foregoing, "**Custodian**" means any bank or other financial institution of recognised standing authorised to engage in securities custody business with which the Holder maintains a securities account in respect of the Notes and includes the Clearing System. Each Holder may, without prejudice to the foregoing, protect and enforce his rights under these Notes also in any other way which is admitted in the country of the Proceedings.

## § [17]
## LANGUAGE

**If the Conditions shall be in the German language with an English language translation insert:**

**[**The Terms and Conditions are written in the German language and provided with an English language translation. The German text shall be controlling and binding. The English language translation is provided for convenience only.**]**

**If the Conditions shall be in the English language with a German language translation insert:**

**[**These Terms and Conditions are written in the English language and provided with a German language translation. The English text shall be controlling and binding. The German language translation is provided for convenience only.**]**

**If the Conditions shall be in the English language only insert:**

**[**The Terms and Conditions are written in the English language only.**]**

**In the case of Notes that are publicly offered, in whole or in part, in**

**[***Eine deutsche Übersetzung der Anleihebedingungen wird bei* ***[insert name and address of Paying Agent in Germany]*** *in ihrer Eigenschaft als Paying Agent sowie bei der* ***[****Volkswagen Financial Services Aktiengesellschaft****]*** ***[****Volkswagen*

| | |
|---|---|
| **Germany or distributed in whole or in part to non-qualified investors in Germany and where the controlling language is English insert:** | *Leasing GmbH**]** (Abteilung Treasury/FH-FTK), Gifhorner Strasse 57, 38112 Braunschweig, Bundesrepublik Deutschland**]** zur kostenlosen Ausgabe bereitgehalten.***]*** |

**Option II. Terms and Conditions for Notes with floating interest rates**

**§ 1**
**CURRENCY, DENOMINATION, FORM AND TITLE, CERTAIN DEFINITIONS**

(1) *Currency and Denomination*. This Series of Notes (the "**Notes**") of **[insert relevant Issuer]** (the "**Issuer**") is being issued in **[insert Specified Currency]** (the "**Specified Currency**") in the aggregate principal amount **[in the case the Global Note is an NGN insert:** (subject to § 1(6))**]** of **[insert Aggregate Principal Amount]** (in words: **[insert Aggregate Principal Amount in words]**) and is divided into **[[insert Number of Notes to be issued in the Specified Denomination]** Notes in the principal amount of **[insert Specified Denomination]** (the "**Specified Denomination**").

(2) *Form and Title*. The Notes are issued in bearer form and represented by one global note (the "**Global Note**"). Title to the Notes shall pass in accordance with the rules of applicable law. Neither the Issuer **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** nor the Guarantor**]** nor the Issuing Agent nor any Paying Agent is obliged to examine the title of any person presenting Notes.

**In the case of Notes which are initially represented by a Temporary Global Note insert:**

**[**(3) *Temporary Global Note – Exchange*.

(a) The Notes are initially represented by a temporary global note (the "**Temporary Global Note**") without interest coupons. The Temporary Global Note will be exchangeable, as provided below, for Notes represented by a permanent global note (the "**Permanent Global Note**") without interest coupons. Definitive Notes will not be issued and the right of the Holder to request the issue and delivery of definitive Notes shall be excluded.

(b) The Temporary Global Note shall be exchanged for Notes represented by the Permanent Global Note on a date (the "**Exchange Date**") not earlier than 40 days after the date of issue of the Temporary Global Note. Such exchange shall only be made upon delivery by the relevant account holder to the Clearing System, and by the Clearing System to the Issuing Agent, of certificates in the form available from the Issuing Agent for such purpose, to the effect that the beneficial owner or owners of the Notes represented by the Temporary Global Note is not a U.S. person (other than certain financial institutions or certain persons holding through such financial institutions). The certifications shall be in compliance with the applicable United States Treasury Regulations. Payment of interest on Notes represented by a Temporary Global Note will be made only after delivery of such certifications. A separate certification shall be required in respect of each such payment of interest. Any such certification received on or after the 40$^{th}$ day after the date of issue of the Temporary Global Note will be treated as a request to exchange such Temporary Global Note pursuant to this subparagraph (b). Any Permanent Global Note delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States (as defined in paragraph (3) of § 6).**]**

**In the case of Notes which are initially represented by a Permanent Global Note insert:**

**[**(3) *Permanent Global Note*.

The Notes are represented by a permanent global note (the "**Permanent Global Note**") without interest coupons. Definitive Notes will not be issued and the right of the Holder to request the issue and delivery of definitive Notes shall be excluded.**]**

(4) *Clearing System.*

The Global Note will be kept in custody by or on behalf of the Clearing System until all obligations of the Issuer under the Notes have been satisfied.

**In the case of Notes kept in custody on behalf of the ICSDs and the Global Note is a NGN insert:**

**[**The Notes are issued in new global note ("**NGN**") form and are kept in custody by a common safekeeper on behalf of both ICSDs.**]**

**In the case of Notes kept in custody on behalf of the ICSDs and the Global Note is a CGN insert:**

**[**The Notes are issued in classical global note ("**CGN**") form and are kept in custody by a common depositary on behalf of both ICSDs.**]**

(5) *Execution of Notes.* Global Notes shall be executed manually on behalf of the Issuer by two authorised representatives of the Issuer and shall be authenticated by or on behalf of the Issuing Agent.

**In the case the Global Note is an NGN insert:**

**[**(6) *Records of the ICSDs*. The aggregate principal amount of Notes represented by the Global Note shall be the aggregate amount from time to time entered in the records of both ICSDs. The records of the ICSDs (which expression means the records that each ICSD holds for its customers which reflect the amount of such customer's interest in the Notes) shall be conclusive evidence of the aggregate principal amount of Notes represented by the Global Note and, for these purposes, a statement issued by an ICSD stating the amount of Notes so represented at any time shall be conclusive evidence of the records of the relevant ICSD at that time.

On any redemption or payment of interest being made in respect of, or purchase and cancellation of, any of the Notes represented by the Global Note the Issuer shall procure that details of any redemption, payment or purchase and cancellation (as the case may be) in respect of the Global Note shall be entered *pro rata* in the records of the ICSDs and, upon any such entry being made, the aggregate principal amount of the Notes recorded in the records of the ICSDs and represented by the Global Note shall be reduced by the aggregate amount of the Notes so redeemed or purchased and cancelled.

**[in the case the Temporary Global Note is an NGN insert:** On an exchange of a portion only of the Notes represented by a Temporary Global Note, the Issuer shall procure that details of such exchange shall be entered pro rata in the records of the ICSDs.**]]**

**[**(7)**]** *Certain Definitions.* For purposes of the Terms and Conditions:

"**Clearing System**" means **[**each of**] [**Clearstream Banking AG, Frankfurt am Main ("**CBF**")**] [**Euroclear Bank SA/NV ("**Euroclear**")**][,] [**and**] [,] [**Clearstream Banking, société anonyme, Luxembourg, ("**CBL**")**] [**(Euroclear and CBL, each an "**ICSD**" and together the "**ICSDs**")**][,] [**and**] [specify any other Clearing System]**.

"**Calculation Agent**" means the **[**Issuing Agent in its capacity as principal paying agent, acting through its office specified in § 7**][**the Calculation Agent as specified under § 7**]**, or any substitute or additional calculation agent appointed under § 7.

"**Holder**" means, in respect of Notes deposited with any Clearing System or other central securities depository, any holder of a proportionate co-ownership or other beneficial interest or right in the Notes so deposited, and otherwise the bearer of a Note.

"**Paying Agent**" means the Issuing Agent in its capacity as principal paying agent, acting through its office specified in § 7, the Paying Agent**[**s**]** as further specified in § 7, or any substitute or additional paying agent

appointed under § 7.

References herein to the "**Notes**" are references to Notes of this Series and shall, as the context requires, include reference to any Global Note.

References herein to a "**Specified Currency**" shall include any successor currency provided for by the laws in force in the jurisdiction where the Specified Currency is issued or pursuant to intergovernmental agreement or treaty (a "**Successor Currency**") to the extent that payment in the predecessor currency is no longer a legal means of payment by the Issuer on the Notes **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** or, in the event of payments under the Guarantee, by the Guarantor under the Guarantee**]**.

## § 2
## STATUS

The Notes constitute unsecured and senior obligations of the Issuer and rank *pari passu* without any preference among themselves and *pari passu* with all other unsecured and senior obligations of the Issuer unless statutory provisions provide otherwise.

## § 3
## INTEREST

(1) *Interest Payment Dates*.

(a) The Notes bear interest on their aggregate principal amount from (and including) **[insert Interest Commencement Date]** (the "**Interest Commencement Date**") to (but excluding) the first Interest Payment Date and thereafter from (and including) each Interest Payment Date to (but excluding) the next following Interest Payment Date. Interest on the Notes shall be payable on each Interest Payment Date.

"**Interest Payment Date**" means

**In the case of Specified Interest Payment Dates insert:**

**[**each **[insert Specified Interest Payment Dates]**

**In the case of Specified Interest Periods insert:**

**[**each date which (except as otherwise provided in these Terms and Conditions) falls **[insert Specified Interest Period(s)]** after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.**]**

(b) *Business Day Convention.* If any Interest Payment Date would otherwise fall on a day which is not a Business Day (as defined below), it shall be:

**In the case of the Modified Following Business Day Convention insert:**

**[**postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event the Interest Payment Date shall be brought forward to the immediately preceding Business Day.**]**

**In the case of the FRN Convention insert:**

**[**postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (i) the Interest Payment Date shall be brought forward to the immediately preceding Business Day and (ii) each subsequent payment date shall be the last Business Day in the month which falls **[[insert number]** months**] [insert other specified period(s)]** after the preceding applicable Interest Payment Date.**]**

**In the case of the Following Business Day Convention insert:**

**[**postponed to the next day which is a Business Day.**]**

**In the case of the Preceding Business Day Convention insert:**

**[**brought forward to the immediately preceding Business Day.**]**

In this § 3 "**Business Day**" means a day (other than a Saturday or a Sunday) (i) on which the Clearing System settles payments**[**,**]** **[**and**]** **[**(ii)**]** **[in the case Relevant Financial Centres are applicable insert:** on which commercial banks and foreign exchange markets settle payments in **[**London**]** **[insert all Relevant Financial Centres]]** **[**and**]** **[**(iii)**]** **[in the case TARGET is applicable insert:** on which all relevant parts of the Trans-European Automated Real-time Gross settlement Express Transfer system 2 ("**TARGET2**") are open to effect payments**]**.

(2) *Rate of Interest.*

The rate of interest (the "**Rate of Interest**") for each Interest Period (as defined below) will, except as provided below, be the offered quotation **[**(**[**●-month**][**EURIBOR**][**LIBOR**][insert other reference rate])]** (the "**Reference Rate**") (expressed as a percentage rate *per annum*) for deposits in the Specified Currency for that Interest Period which appears on the Screen Page as of 11:00 a.m. (**[**Brussels**]** **[**London**]** **[insert other financial center]** time) on the Interest Determination Date (as defined below) **[in the case of a Margin insert: [**plus**]** **[**minus**]** the Margin (as defined below)**]**, all as determined by the Calculation Agent.

"**Interest Period**" means each period from (and including) the Interest Commencement Date to (but excluding) the first Interest Payment Date and from (and including) each Interest Payment Date to (but excluding) the following Interest Payment Date.

"**Interest Determination Date**" means the **[**second**]** **[insert other applicable number of days]** **[**London**]** **[**TARGET**]** **[insert the Relevant Financial Centre]** Business Day **[**prior to the commencement**]** of the relevant Interest Period.

**In the case of a TARGET Business Day insert:**

**[**"**TARGET Business Day**" means a day (other than a Saturday or a Sunday) on which all relevant parts of TARGET are open to effect payments.**]**

**In the case of a Non-TARGET Business Day insert:**

**[**"**[London][insert other Relevant Financial Centre] Business Day**" means a day (other than a Saturday or Sunday) on which commercial banks are open for business (including dealings in foreign exchange and foreign currency) in **[**London**][insert other Relevant Financial Centre]**.**]**

**In the case of a Margin insert:**

**[**"**Margin**" means **[insert Margin]** per cent. *per annum*.**]**

"**Screen Page**" means **[insert Screen Page]** or any successor page.

If the Screen Page is not available or if no such quotation appears as at such time, the Calculation Agent shall request the Reference Banks (as defined below) to provide the Calculation Agent with its offered quotation (expressed as a percentage rate *per annum*) for deposits in the Specified Currency for the relevant Interest Period to leading banks in the **[**London**]** **[insert other financial center]** interbank market **[**in the Euro-Zone**]** at approximately 11.00 a.m. (**[**Brussels**]** **[**London**]** **[insert other location]** time) on the Interest Determination Date. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the nearest **[if the Reference Rate is EURIBOR insert:** one thousandth**]** **[if the Reference Rate is LIBOR insert:** one hundred-thousandth**]** **[if the Reference Rate is neither EURIBOR or LIBOR insert: ●]** of a percentage point, with **[if the Reference Rate is EURIBOR insert:** 0.0005**]** **[if the Reference Rate is LIBOR insert:** 0.000005**]** **[if the Reference Rate is neither EURIBOR or LIBOR insert: ●]** being rounded upwards) of such offered quotations **[if Margin insert: [**plus**]** **[**minus**]** the Margin**]**, all as determined by the Calculation

Agent.

If on any Interest Determination Date only one or none of the Reference Banks provides the Calculation Agent with such offered quotations as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate *per annum* which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the nearest **[if the Reference Rate is EURIBOR insert:** one thousandth**] [if the Reference Rate is LIBOR insert:** one hundred-thousandth**] [if the Reference Rate is neither EURIBOR or LIBOR insert: ●]** of a percentage point, with **[if the Reference Rate is EURIBOR insert:** 0.0005**] [if the Reference Rate is LIBOR insert:** 0.000005**] [if the Reference Rate is neither EURIBOR or LIBOR insert: ●]** being rounded upwards) of the rates, as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, as at **[**11.00 a.m.**][●]** (**[**Brussels**] [**London**] [insert other location]** time) on the relevant Interest Determination Date, deposits in the Specified Currency for the relevant Interest Period by leading banks in the **[**London**] [insert other financial center]** interbank market **[**in the Euro-Zone**] [if Margin insert: [**plus**] [**minus**]** the Margin**]** or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for the relevant Interest Period, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for the relevant Interest Period, at which, on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Calculation Agent and the Issuer suitable for such purpose) inform(s) the Calculation Agent it is or they are quoting to leading banks in the **[**London**] [insert other financial center]** interbank market **[**in the Euro-Zone**]** (or, as the case may be, the quotations of such bank or banks to the Calculation Agent) **[if Margin insert: [**plus**] [**minus**]** the Margin**]**. If the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be the offered quotation or the arithmetic mean of the offered quotations on the Screen Page, as described above, on the last day preceding the Interest Determination Date on which such quotations were offered **[if Margin insert: [**plus**] [**minus**]** the Margin (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period)**]**.

As used herein, "**Reference Banks**" means **[if no other Reference Banks are specified in the Final Terms, insert:** those offices of **[if the Reference Rate is EURIBOR insert:** not less than four**]** of such banks whose offered rates were used to determine such quotation when such quotation last appeared on the Screen Page**] [if other Reference Banks are specified in the Final Terms, insert names here].**

**In the case of the interbank market in the Euro-Zone insert:**

**[**"**Euro-Zone**" means the region comprised of those member states of the European Union that have adopted, or will have adopted from time to time, the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25 March 1957), as amended by the Treaty on European Union (signed in Maastricht on 7 February 1992), the Amsterdam Treaty of 2 October 1997 and the Treaty of Lisbon of 13 December 2007, as further amended from time to time.**]**

In the case of a Benchmark Event (as defined below), the Reference Rate (as defined above) shall be replaced with a rate determined by the Issuer as follows by applying steps (I) through (IV) in such order (the "**Successor Reference Rate**"):

(I) The Reference Rate shall be replaced with the reference rate, which is announced by the administrator of the Reference Rate, the competent central bank or a regulatory or supervisory authority as the successor rate for the Reference Rate for the term of the Reference Rate and which

can be used in accordance with applicable law; or (if such a successor rate cannot be determined);

(II) the Reference Rate shall be replaced with an alternative reference rate, which is or will be commonly used (in accordance with applicable law) as a reference rate for a comparable term for floating rate notes in the respective currency; or (if such an alternative reference rate cannot be determined);

(III) the Reference Rate shall be replaced with an alternative reference rate, which is or will be commonly used (in accordance with applicable law) as a reference rate (x) for interest rate swaps (fix-to-floating) in the relevant currency, or (y) for exchange traded interest rate futures in the relevant currency on a recognised futures exchange for exchange traded interest futures with regard to the Reference Rate for a comparable term; or (if no such alternative reference rate can be determined);

(IV) the Reference Rate shall be replaced with a rate, which is determined by the Issuer (who, for the purposes of such determination, may (but is not obliged to) seek and rely on the opinion of a reputable third party financial adviser or financial institution experienced with the type of calculations required at the time) in its reasonable discretion (*billiges Ermessen*) with regard to the term of the Reference Rate and the relevant currency in a commercially reasonable manner based on the general market interest levels in the Federal Republic of Germany at the relevant time.

"**Benchmark Event**" means:

(a) a public statement by (i) the administrator of the Reference Rate that it will cease publishing the Reference Rate or that the Reference Rate will not be included in the register under Article 36 of the Regulation (EU) 2016/1011 permanently or indefinitely (in circumstances where no successor administrator exists) or any other permanent and final discontinuation of the Reference Rate and by (ii) the relevant competent authority supervising the administrator of the Reference Rate that the Reference Rate has been or will be permanently or indefinitely discontinued; or

(b) a material change in the methodology of determining or calculating the Reference Rate as stated by the relevant competent authority supervising the administrator of the Reference Rate and as compared to the methodology used at the date of the issuance of the Notes if, in the reasonable opinion of the Issuer, such change results in the Reference Rate, calculated in accordance with the new methodology, no longer representating, or being apt to represent adequately, the Reference Rate (as defined above) or in terms of economic substance no longer being comparable to the Reference Rate (as defined above) determined or calculated in accordance with the methodology used at the date of the issuance of the Notes; or

(c) the applicability of any law or any other legal provision, or of any administrative or judicial order, decree or other binding measure, pursuant to which it would be unlawful for the Issuer to continue to use the Reference Rate as a reference rate to determine the payment obligations under the Notes, or pursuant to which any such use is subject to not only immaterial restrictions or adverse consequences.

If a Benchmark Event occurs, the date from which the Reference Rate will be replaced with the Successor Rate shall be the date of the discontinuation of publication of the Reference Rate (in the case of scenario (a) above) and/or the date from which the further use of the Reference Rate would be factually or legally impossible under the Notes (in the case of scenarios (b) and (c) above) (the "**Relevant Date**"). From such Relevant Date, any reference to the Reference Rate shall be read as a reference to the Successor Reference Rate and any reference to the Screen Page herein shall from the Relevant Date on be read as a

reference to the Successor Screen Page and the provisions of this paragraph shall apply *mutatis mutandis*. The Issuer shall thereafter inform the Holders of the Notes in accordance with § **[**15**]** as well as the Issuing Agent and the Calculation Agent. The Issuer shall also determine which screen page or other source shall be used in connection with such Successor Reference Rate (the "**Successor Screen Page**").

Further and in addition to any replacement of the Reference Rate with a Successor Reference Rate, the Issuer may apply an adjustment factor or fraction as recommended by a relevant body or, if such recommendation is not available, specify an interest adjustment factor or fraction which shall be applied in determining the Rate of Interest and calculating the Interest Amount (as defined below) and may also make any further adjustments to the Terms and Conditions (e.g. with respect to the Day Count Fraction, Business Day Convention, Business Days, Interest Determination Dates, the method to determine the fallback rate to the Successor Rate), as are necessary for the purpose of achieving a result which is consistent with the economic substance of the Notes before the Benchmark Event occurred and which is not to the economic detriment of the Holders of the Notes.

**In the case of a Minimum and/or Maximum Rate of Interest insert:**

(3) **[***Minimum***] [***and***] [***Maximum***]** *Rate of Interest*.

**[if Minimum Rate of Interest applies insert:** If the Rate of Interest in respect of any Interest Period determined in accordance with the above provisions is less than **[insert Minimum Rate of Interest]**, the Rate of Interest for such Interest Period shall be **[insert Minimum Rate of Interest]**.**]**

**[if Maximum Rate of Interest applies insert:** If the Rate of Interest in respect of any Interest Period determined in accordance with the above provisions is greater than **[insert Maximum Rate of Interest]**, the Rate of Interest for such Interest Period shall be **[insert Maximum Rate of Interest]**.**]**

**[**(4)**]** *Interest Amount*. The Calculation Agent will, on or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest and calculate the amount of interest (the "**Interest Amount**") payable on the Notes in respect of the Specified Denomination for the relevant Interest Period. Each Interest Amount shall be calculated by applying the Rate of Interest and the Day Count Fraction (as defined below) to the Specified Denomination and rounding the resultant figure to the nearest unit of the Specified Currency, with 0.5 of such unit being rounded upwards.

**[**(5)**]** *Notification of Rate of Interest and Interest Amount*. The Calculation Agent will cause notification of the Rate of Interest, each Interest Amount for each Interest Period, each Interest Period and the relevant Interest Payment Date to the Issuer **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** and the Guarantor**]** and to the Holders in accordance with § **[**15**]** as soon as possible after their determination, but in no event later than the fourth **[**TARGET**] [insert the Relevant Financial Centre]** Business Day (as defined in § 3(2)) thereafter and, if required by the rules of any stock exchange on which the Notes are from time to time listed, to such stock exchange as soon as possible after their determination, but in no event later than the first day of the relevant Interest Period. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to the Issuer, any stock exchange on which the Notes are then listed and to the Holders in accordance with § **[**15**]**.

**[**(6)**]** *Determinations Binding*. All certificates, communications, opinions,

determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this § 3 by the Calculation Agent shall (in the absence of manifest error) be binding on the Issuer, **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** the Guarantor**]** the Issuing Agent, the Paying Agents and the Holders.

**[**(7)**]** *Accrual of Interest*. If the Issuer shall fail to redeem the Notes when due, interest shall continue to accrue on the outstanding aggregate principal amount of the Notes from the due date to the date of actual redemption but not beyond the fourteenth day after notice has been given by the Issuing Agent in accordance with § **[**15**]** that the funds required for redemption have been provided to the Issuing Agent. The applicable Rate of Interest will be the default rate of interest established by law.[1]

**[**(8)**]** *Day Count Fraction.* "**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Note for any period of time (the "**Calculation Period**"):

**In the case of Actual/Actual (ISDA) insert:**

**[**the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365).**]**

**In the case of Actual/Actual (ICMA) insert:**

**[**1. If the Calculation Period (from and including the first day of such period but excluding the last) is equal to or shorter than the Determination Period during which the Calculation Period ends, the number of days in such Calculation Period (from and including the first day of such period but excluding the last) divided by the product of (1) the number of days in such Determination Period and (2) the number of Interest Payment Dates that occur in one calendar year or that would occur in one calendar year if interest were payable in respect of the whole of such year; or

2. if the Calculation Period is longer than the Determination Period during which the Calculation Period ends, the sum of: (A) the number of days in such Calculation Period falling in the Determination Period in which the Calculation Period begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Interest Payment Dates that occur in one calendar year or that would occur in one calendar year if interest were payable in respect of the whole of such year, and (B) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Interest Payment Dates that occur in one calendar year or that would occur in one calendar year if interest were payable in respect of the whole of such year.

"**Determination Period**" means the period from (and including) the Interest Commencement Date to (but excluding) the first Interest Payment Date or from (and including) each Interest Payment Date to (but excluding) the next Interest Payment Date. **[in the case of a short first or last Calculation Period insert:** For the purposes of determining the relevant Determination Period only, **[insert Deemed Interest Commencement Date or Deemed Interest Payment Date]** shall be deemed to be an **[**Interest Commencement Date**]** **[**Interest Payment Date**].] [In the case of a long first or last Calculation Period insert:** For the purposes of determining the relevant Determination Period only, **[insert Deemed Interest Commencement Date and/or Deemed Interest Payment Date(s)]** shall **[**each**]** be deemed to be an **[**Interest

[1] The default rate of interest established by law is five percentage points above the basic rate of interest published by Deutsche Bundesbank from time to time, §§ 288 paragraph 1, 247 BGB (German Civil Code).

Commencement Date**] [**and**] [**Interest Payment Date**[**s**]].]]**

**In the case of Actual/365 (Fixed) insert:**

**[**the actual number of days in the Calculation Period divided by 365.**]**

**In the case of Actual/360 insert:**

**[**the actual number of days in the Calculation Period divided by 360.**]**

**In the case of 30/360, 360/360 or Bond Basis insert:**

**[**the number of days in the Calculation Period divided by 360, the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (i) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (ii) the last day of the Calculation Period is the last day of the month of February in which case the month of February shall not be considered to be lengthened to a 30-day month).**]**

**In the case of 30E/360 or Eurobond Basis insert:**

**[**the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of the final Calculation Period, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month).**]**

## § 4
## REDEMPTION

Unless previously redeemed in whole or in part or purchased and cancelled, the Notes shall be redeemed at their Redemption Amount on the Interest Payment Date falling in **[insert Redemption Month and year]** (the "**Maturity Date**"). The Redemption Amount in respect of each Note shall be **[insert Redemption Amount]**[2] per Specified Denomination.

## § 5
## EARLY REDEMPTION

(1) *Early Redemption for Reasons of Taxation*. If as a result of any amendment to, or change in, the laws or regulations of **[in the case of Notes issued by Volkswagen Financial Services N.V. insert:** The Netherlands or**] [in the case of Notes issued by Volkswagen Financial Services Japan Ltd. insert:** Japan or**] [in the case of Notes issued by Volkswagen Financial Services Australia Pty Limited insert:** the Commonwealth of Australia or**]** the Federal Republic of Germany or any political subdivision or taxing authority thereto or therein affecting taxation or the obligation to pay duties of any kind, or any amendment to or change in an official interpretation or application of such laws or regulations, which amendment or change is effective on or after **[insert Issue Date]**, the Issuer **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** or the Guarantor**]** is required to pay Additional Amounts (as defined in § 8 herein **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** and in the Guarantee, respectively**]**) on the next succeeding Interest Payment Date (as defined in § 3 (1)), and this obligation cannot be avoided by the use of reasonable measures available to the Issuer **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** or the Guarantor**]**, the Notes may be redeemed, in whole but not in part, at the option of the Issuer, upon not more than 60 days' nor less than 30 days'

[2] The Redemption Amount shall at least be equal to the nominal value.

prior notice of redemption at their Early Redemption Amount (as defined below), together with interest accrued to the date fixed for redemption.

However, no such notice of redemption may be given (i) earlier than 90 days prior to the earliest date on which the Issuer **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited:** or the Guarantor**]** would be obligated to pay such Additional Amounts or make such deduction or withholding in respect of the Notes then due, or (ii) if at the time such notice is given, such obligation to pay such Additional Amounts or make such deduction or withholding does not remain in effect. The date fixed for redemption must be an Interest Payment Date.

Any such notice shall be given in accordance with § **[**15**]**. It shall be irrevocable, must specify the date fixed for redemption and must set forth a statement in summary form of the facts constituting the basis for the rights of the Issuer so to redeem (the "**Termination Event**"); it must also contain a statement to the effect that the Issuer **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** or, to the extent that the Termination Event relates to unavoidable payments in respect of the Guarantee, the Guarantor respectively,**]** cannot, in its judgement, avoid the occurrence or continuation of the Termination Event by taking reasonable measures available to it.

**If Notes are subject to Early Redemption for reason of a Benchmark Event insert:**

**[**(2) *Early Redemption for reason of a Benchmark Event.* The Notes may be redeemed, in whole but not in part, at the option of the Issuer upon not more than 60 days' nor less than 30 days' prior notice of redemption at their Early Redemption Amount (as defined below), together with interest accrued to the date fixed for redemption, if a Benchmark Event (as defined in § 3(2)) has occurred and it is not possible, in the Issuer's opinion, to determine a Successor Reference Rate in accordance with the steps I through IV as described in § 3(2).

Any such notice shall be given in accordance with § **[**15**]**. It shall be irrevocable, must specify the date fixed for redemption and must set forth a statement in summary form of the facts constituting the basis for the rights of the Issuer so to redeem.**]**

**If Notes are subject to Early Redemption at the option of the Issuer insert:**

**[[**(3)**]** *Early Redemption at the Option of the Issuer*.

(a) The Issuer may, upon notice given in accordance with subparagraph (b), redeem all or only some of the Notes on the Call Redemption Date(s) or at any time thereafter until the respective subsequent Call Redemption Date at the respective Call Redemption Amount(s) set forth below together with accrued interest, if any, to (but excluding) the respective Call Redemption Date. **[if Minimum Redemption Amount or Higher Redemption Amount applies insert:** Any such redemption must be of a principal amount equal to **[**at least **[insert Minimum Redemption Amount]] [insert Higher Redemption Amount]**.**]**

| Call Redemption Date(s) **[insert Call Redemption Date(s)]** | Call Redemption Amount(s) **[insert Call Redemption Amount(s)]** |
|---|---|
| **[**_____**]** | **[**_____**]** |
| **[**_____**]** | **[**_____**]** |

**[if Notes are subject to Early Redemption at the Option of the Holder insert:** The Issuer may not exercise such option in respect of any Note which is the subject of the prior exercise by the Holder thereof of its option to require the redemption of such Note under paragraph **[**(4)**]** of this § 5.**]**

(b) Notice of redemption shall be given by the Issuer to the Holders of the Notes in accordance with § **[**15**]**. Such notice shall specify:

(i) the Series of Notes subject to redemption;

(ii) whether such Series is to be redeemed in whole or in part only and, if in part only, the aggregate principal amount of the Notes which are to be redeemed;

(iii) the Call Redemption Date, which shall be not less than **[insert Minimum Notice to Holders]** nor more than **[insert Maximum Notice to Holders]** days after the date on which notice is given by the Issuer to the Holders; and

(iv) the Call Redemption Amount at which such Notes are to be redeemed.

**[if Notes are represented by a Permanent Global Note insert:** Notes represented by a Permanent Global Note shall be selected in accordance with the rules and procedures of the relevant Clearing System. **[In the case of Notes in NGN form insert:** Such partial redemption shall be reflected in the records of CBL and Euroclear as either a pool factor or a reduction in aggregate principal amount, at the discretion of CBL and Euroclear.**]]]**

**If the Notes are subject to Early Redemption at the Option of a Holder insert:**

**[[**(4)**]** *Early Redemption at the Option of a Holder*.

(a) The Issuer shall, upon the exercise of the relevant option by the Holder of any Note, redeem such Note on the Put Redemption Date(s) at the Put Redemption Amount(s) set forth below together with accrued interest, if any, to (but excluding) the Put Redemption Date.

| Put Redemption Date(s) **[insert Put Redemption Date(s)]** | Put Redemption Amount(s) **[insert Put Redemption Amount(s)]** |
|---|---|
| **[**_____**]** | **[**_____**]** |
| **[**_____**]** | **[**_____**]]** |

The Holder may not exercise such option in respect of any Note which is the subject of the prior exercise by the Issuer of its option to redeem such Note under this § 5.

(b) In order to exercise such option, the Holder must, not less than **[insert Minimum Notice to Issuer]** and not more than **[insert Maximum Notice to Issuer]** days before the Put Redemption Date on which such redemption is required to be made as specified in the Put Notice (as defined below), send to the specified office of any Paying Agent an early redemption notice in text form (e.g. email or fax) or in written form ("**Put Notice**") in the form available from the specified office of any of the Paying Agents. No option so exercised may be withdrawn or revoked.**]**

**[**(5)**]** *Early Redemption Amount*.

For purposes of paragraph (1) **[in the case of Notes subject to Early Redemption for reason of a Benchmark Event insert: [**and**]** paragraph **[**(2)**]** of this § 5 and § 9, the Early Redemption Amount of a Note shall be **[**the Redemption Amount**] [insert other Early Redemption Amount]**.

## § 6
## PAYMENTS

(1) (a) *Payment of Principal*.

Payment of principal in respect of Notes shall be made, subject to paragraph (2) below, to the Clearing System or to its order for credit to

the accounts of the relevant accountholders of the Clearing System upon presentation and surrender of the Global Note at the specified office of any Paying Agent outside the United States.

(b) *Payment of Interest*. Payment of interest on Notes represented by a Permanent Global Note shall be made, subject to paragraph (2), to the Clearing System or to its order for credit to the relevant accountholders of the Clearing System. Payment of interest will only be made outside of the United States.

**In the case of interest payable on a Temporary Global Note insert:**

**[**Payment of interest on Notes represented by a Temporary Global Note shall be made, subject to paragraph (2), to the Clearing System or to its order for credit to the relevant accountholders of the Clearing System, upon due certification as provided in § 1 (3) (b).**]**

(2) *Manner of Payment.* Subject to applicable fiscal and other laws and regulations, payments of amounts due in respect of the Notes shall be made in the Specified Currency.

(3) *United States*. For purposes of **[in the case of Notes which are initially represented by a Temporary Global Note insert:** § 1 (3) and of**]** paragraph (1) of this § 6, "**United States**" means the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands).

(4) *Discharge.* The Issuer **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited:** or, as the case may be, the Guarantor,**]** shall be discharged by payment to, or to the order of, the Clearing System.

(5) *Payment Business Day*. If the date for payment of any amount in respect of any Note is not a Payment Business Day then the Holder shall not be entitled to payment until the next such day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For this purpose "**Payment Business Day**" means a day which is a Business Day (as defined in § 3 (1) (b)).

**In the case the Specified Currency is Turkish Lira insert:**

**[**(6) *Payment of U.S. Dollar Equivalent.* Notwithstanding the foregoing, if the Issuer is not able to satisfy payments of principal or interest (in whole or in part) in respect of the Notes when due in Turkish Lira, the Issuer shall, by sending an irrevocable notice not less than five or more than 30 calendar days prior to the due date for payment to the Holders, settle any such payment (in whole or in part) in U.S. Dollars on the due date at the U.S. Dollar Equivalent of any such Turkish Lira denominated amount. In case the Issuer needs to satisfy payments of principal or interest in part in Turkish Lira and in part in U.S. Dollars, it shall to the extent possible make payment to each Holder in the same pro rata amount of Turkish Lira and U.S. Dollar in accordance with the rules of the Clearing System from time to time.

For the purpose of these Terms and Conditions, "**U.S. Dollar Equivalent**" means the Turkish Lira amount converted in U.S. Dollars using the Spot Rate for the relevant Spot Rate Determination Date.

**"Spot Rate Determination Business Day"** means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in each of London, New York City, TARGET and in Istanbul.

**"Spot Rate Determination Date"** means the day which is three Determination Business Days before the due date for any payment of the relevant amount under these Terms and Conditions.

**"Spot Rate"** means the Turkish Lira (TRY) / U.S. Dollar (USD) exchange rate (expressed as an amount of TRY per unit of U.S. dollar), as determined by the Calculation Agent at or around 11 a.m. (Istanbul time)

on the Spot Rate Determination Date, by reference to Reuters Screen Page **"Europe Spots"** (RIC:EFX=) (or any successor or replacement service or page).
If no such rate is available, the Calculation Agent will determine the Spot Rate at or around 11 a.m. (Istanbul time) on the Spot Rate Determination Date as the most recently available TRY/USD official fixing rate available on this Screen Page.
All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provision of this paragraph by the Calculation Agent, will (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Agents and all Holders.**]**

(**[**7**]**) *References to Principal and Interest.* Reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable: the Redemption Amount of the Notes; the Early Redemption Amount of the Notes; **[if redeemable at the option of the Issuer for other than taxation reasons insert:** the Call Redemption Amount(s) of the Notes;**] [if redeemable at the option of the Holder insert:** the Put Redemption Amount(s) of the Notes;**]** and any premium and any other amounts which may be payable under or in respect of the Notes.

Reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any Additional Amounts which may be payable under § 8.

(**[**8**]**) *Deposit of Principal and Interest.* The Issuer may deposit with the local court (*Amtsgericht*) in Frankfurt am Main principal or interest not claimed by Holders within twelve months after the Maturity Date, even though such Holders may not be in default of acceptance. If and to the extent that the deposit is effected and the right of withdrawal is waived, the respective claims of such Holders against the Issuer shall cease.

## § 7
## ISSUING AGENT, PAYING AGENT[S] AND CALCULATION AGENT

(1) *Appointment; Specified Offices.* The initial Issuing Agent, Paying Agent**[**s**]** and the Calculation Agent and their respective initial specified offices are:

| | |
|---|---|
| Issuing Agent and Principal Paying Agent: | Citibank, N.A.<br>Citigroup Centre<br>Canary Wharf<br>London E14 5LB<br>United Kingdom |
| Paying Agent**[**s**]**: | **[**Citibank Europe plc, Germany Branch<br>Reuterweg 16<br>60323 Frankfurt am Main<br>Federal Republic of Germany**]**<br><br>**[**insert other Paying Agents and specified offices**]** |

**If the Issuing Agent shall act as Calculation Agent insert:**

**[**The Issuing Agent shall also act as Calculation Agent.**]**

**If the Issuing Agent shall not act as Calculation Agent insert:**

| | |
|---|---|
| **[**Calculation Agent: | **[insert name and specified office]]** |

The Issuing Agent, the Paying Agent**[**s**]** and the Calculation Agent reserve the right at any time to change their respective specified offices to some other specified office in the same city.

(2) *Variation or Termination of Appointment.* The Issuer reserves the right at

any time to vary or terminate the appointment of the Issuing Agent or any Paying Agent or the Calculation Agent and to appoint another Issuing Agent or additional or other Paying Agents or another Calculation Agent. The Issuer shall at all times maintain (i) an Issuing Agent **[**,**] [**and**]** (ii) a Paying Agent in addition to the Issuing Agent with a specified office in a continental European city **[in the case of Notes listed on a stock exchange and the rules and regulations of such stock exchange so require insert: [**,**] [**and**]** (iii) so long as the Notes are listed on the **[insert name of Stock Exchange]**, a Paying Agent (which may be the Issuing Agent) with a specified office in **[insert location of Stock Exchange]** and/or in such other place as may be required by such stock exchange**] [in the case the Specified Currency is U.S. Dollars insert: [**,**] [**and**] [**(iv)**]** if payments at or through the offices of all Paying Agents outside the United States (as defined in § 6 (3)) become illegal or are effectively precluded because of the imposition of exchange controls or similar restrictions on the full payment or receipt of such amounts in United States dollars, a Paying Agent with a specified office in New York City**] [insert if Calculation Agent is required to maintain a specified office in a required location: [**,**] [**and**] [**(v)**]** a Calculation Agent with a specified office located in **[insert required location]]**.

Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Holders in accordance with § **[**15**]**.

(3) *Agents of the Issuer.* The Issuing Agent, the Paying Agent**[**s**]** and the Calculation Agent act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for any Holder.

## § 8
## TAXATION

All amounts payable in respect of the Notes shall be made without deduction or withholding for or on account of, any present or future taxes, duties or governmental charges of any nature whatsoever imposed, levied or collected by or in or on behalf of **[in the case of Notes issued by Volkswagen Financial Services N.V. insert:** The Netherlands or**] [in the case of Notes issued by Volkswagen Financial Services Japan Ltd. insert:** Japan or**] [in the case of Notes issued by Volkswagen Financial Services Australia Pty Limited insert:** the Commonwealth of Australia or**]** the Federal Republic of Germany or any political subdivision or taxing authority therein or thereof or the United States of America or any political subdivision on taxing authority therein or thereof ("**Withholding Taxes**") unless such withholding or deduction is required by law. In that event, subject to the exceptions set forth below, the Issuer shall pay such additional amounts (the "**Additional Amounts**") as may be necessary in order that the net amounts received by the Holders of such Notes, after deduction or withholding for or on account of such Withholding Taxes, shall equal the respective amounts which would have been receivable had no such deduction or withholding been required. No such Additional Amounts shall, however, be payable on account of any taxes, duties or governmental charges which:

(1) are payable by any person acting as custodian bank or collecting agent on behalf of a Holder, or otherwise in any manner which does not constitute a deduction or withholding by the Issuer from payments of principal or interest made by it; or

(2) are payable by reason of a change in law (or by reason of any application or official interpretation of any law or regulation) that becomes effective more than 30 days after the relevant payment becomes due, or, if this occurs later, is duly provided for and notice thereof is given in accordance with § **[**15**]**; or

(3) are deducted or withheld by a Paying Agent from a payment if the payment could have been made by another Paying Agent without such deduction or withholding; or

(4) are payable by reason of the Holder having, or having had, some personal or business connection with **[in the case of Notes issued by Volkswagen Financial Services N.V.:** The Netherlands or**] [in the case of Notes issued by Volkswagen Financial Services Japan Ltd.:** Japan or**] [in the case of Notes issued by Volkswagen Financial Services Australia Pty Limited insert:** the Commonwealth of Australia or**]** the Federal Republic of Germany other than the mere fact of his holding the Notes or not merely by reason of the fact that payments in respect of the Notes **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** or under the Guarantee (as defined in § 10 hereof)**]** are, or for purposes of taxation are deemed to be, derived from sources in, or are secured in **[in the case of Notes issued by Volkswagen Financial Services N.V.:** The Netherlands or**] [in the case of Notes issued by Volkswagen Financial Services Australia Pty Limited insert:** the Commonwealth of Australia or**]** the Federal Republic of Germany; or

(5) are deducted or withheld pursuant to (i) any European Union Directive or Regulation concerning the taxation of interest income, or (ii) any international treaty or understanding relating to such taxation and to which **[in the case of Notes issued by Volkswagen Financial Services N.V. insert:** The Netherlands or**] [in the case of Notes issued by Volkswagen Financial Services Japan Ltd. insert:** Japan or**] [in the case of Notes issued by Volkswagen Financial Services Australia Pty Limited insert:** the Commonwealth of Australia or**]** the Federal Republic of Germany or the European Union is a party, or (iii) any provision of law implementing, or complying with, or introduced to conform with, such Directive, Regulation, treaty or understanding, or (iv) sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended, and any current or future regulations or official interpretations thereof or agreement thereunder (including, without limitation, any intergovernmental agreement between the U.S. and any other jurisdiction or any treaty, law, regulation or other official guidance enacted to implement such intergovernmental agreement) ("**FATCA**"); **[**or**]**

(6) would not be payable if the Notes had been kept in safe custody with, and the payments had been collected by, a banking institution**[**.**][**; or**]**

**In the case of Notes issued by VWFSJ insert:**

**[**(7) are payable in respect of a payment in relation to Notes issued by VWFSJ, where the amount of interest on such Note is to be calculated by reference to certain indicators (as prescribed under the cabinet order relating to Article 6, paragraph 4 of the Special Taxation Measures Law of Japan) relating to VWFSJ or a person or entity having a special relationship with VWFSJ, as provided in Article 6, paragraph 4 of the Special Taxation Measures Law of Japan (a "**specially-related person of VWFSJ**"), except where the recipient of interest is a Japanese designated financial institution described in Article 6, paragraph 9 of the Special Taxation Measures Law of Japan which has complied with the requirements under that paragraph; or

(8) are deducted or withheld pursuant to the Special Taxation Measures Law of Japan in respect of a payment in relation to Notes issued by VWFSJ. Interest payments on the Notes to be paid to an individual resident of Japan, to a Japanese corporation (except for (i) a Japanese designated financial institution described in Article 6, paragraph 9 of the Special Taxation Measures Law which has complied with the requirements under that paragraph and (ii) a public corporation, a financial institution or a financial instruments business operator, etc., as provided in Article 3-3, paragraph 6 of the Special Taxation Measures Law which receives the interest payments through its payment handling agent in Japan and complies with the requirement for tax exemption under that paragraph), or to an individual non-resident of Japan or a non-Japanese corporation that in either case is a specially-related person of VWFSJ will be subject to deduction in respect of Japanese income tax at a rate of 15 per cent.

(as for the period beginning on 1 January 2013 and ending on 31 December 2037, 15.315 per cent.) of the amount of such interest.**]**

**In the case of Notes issued by Volkswagen Financial Services Australia Pty Limited insert:**

**[**(7) are payable by reason of the Holder being a person who could lawfully avoid (but has not so avoided) such deduction or withholding by complying or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where the relevant Note is presented for payment; or

(8) are payable by reason of the Holder (or a person on behalf of the Holder) to provide an Australian Business Number, an Australian Tax File Number or details of any relevant exemption from these requirements; or

(9) are payable by reason of the Australian Commissioner of Taxation giving a notice under Section 255 of the Income Tax Assessment Act 1936 of Australia or Section 260-5 of Schedule One to the Taxation Administration Act 1953 of Australia; or

(10) are payable by reason of the Holder, or a person with an interest in the Notes, being an Offshore Associate of the Issuer acting other than in the capacity of a clearing house, paying agent, custodian, funds manager or responsible entity of a registered scheme within the meaning of the Corporations Act 2001 of Australia. "**Offshore Associate**" means an associate (as defined in section 128F(9) of the Income Tax Assessment Act 1936 of Australia) of the Issuer that is either:

(a) a non-resident of Australia which does not acquire the Notes, or an interest in the Notes, in the course of carrying on a business at or through a permanent establishment in Australia; or

(b) a resident of Australia that acquires the Notes, or an interest in the Notes, in the course of carrying on a business at or through a permanent establishment outside Australia.**]**

## § 9
## EVENTS OF DEFAULT

(1) *Events of Default*. Each Holder shall be entitled to declare his Notes due and demand immediate redemption thereof at the Early Redemption Amount (as described in § 5**[**(5)**]**), together with accrued interest (if any) to the date of repayment, in the event that:

(a) any amount due under the Notes has not been paid within 30 days from the relevant due date; or

(b) the Issuer fails duly to perform any other obligation arising from the Notes **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** or the Guarantor should fail to perform any obligation arising from the Undertaking (as defined in § 10) contained in the Guarantee**]** and such failure continues unremedied for more than 90 days after the Issuing Agent has received notice thereof from a Holder; or

(c) the Issuer **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** or the Guarantor**]** announces its inability to meet its financial obligations; or

(d) a court opens bankruptcy or other insolvency proceedings against the Issuer **[in the case of Notes issued by Volkswagen Leasing**

**GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** or the Guarantor,**]** or such proceedings are instituted and have not been discharged or stayed within 60 days, or the Issuer **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** or the Guarantor**]** applies for or institutes such proceedings **[in the case of Notes issued by Volkswagen Financial Services N.V.:** or the Issuer applies for a "*Surseance van Betaling*" (within the meaning of the Statutes of Bankruptcy of The Netherlands ("*Faillissementswet*")**]**; or

(e) the Issuer **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** or the Guarantor**]** goes into liquidation unless this is done in connection with a merger, consolidation or other form of combination with another company and such other or new company assumes all obligations contracted by the Issuer **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** or the Guarantor, as the case may be**]**, in connection with the issue of the Notes **[.] [**; or**]**

**[In the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:**

(f) the Guarantee ceases to be in full form and effect.**]**

(2) *Termination*. The right to declare Notes due shall terminate if the situation giving rise to it has been cured before the right is exercised.

(3) *Notice*. Any notice, including any notice declaring Notes due, in accordance with this § 9 shall be made in text form (e.g. email or fax) or in written form in the German or English language sent to the specified office of the Issuing Agent and shall state the principal amount of the relevant Notes and shall enclose evidence of ownership reasonably satisfactory to the Issuing Agent.

## § 10
## NEGATIVE PLEDGE OF THE ISSUER [, GUARANTEE AND UNDERTAKING OF THE GUARANTOR]

(1) *Negative Pledge*. So long as any of the Notes remain outstanding, but only up to the time all amounts of principal and interest have been placed at the disposal of the Issuing Agent, the Issuer undertakes not to provide any security upon its assets for other notes or bonds including any guarantee or indemnity in respect thereof without at the same time having the Holders share equally and rateably in such security. For the avoidance of doubt, the undertaking contained in this § 10 shall not apply to security provided in connection with asset backed securities issued by subsidiaries of Volkswagen Financial Services AG, or by a special purpose vehicle where the Issuer is the originator of the underlying assets.

**[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:**

(2) *Guarantee.* Volkswagen Financial Services Aktiengesellschaft (the "**Guarantor**") has given its unconditional and irrevocable guarantee (the "**Guarantee**") for the due payment of the amounts corresponding to the principal of and interest on the Notes. In this Guarantee, the Guarantor has further undertaken (the "**Undertaking**"), as long as Notes are

outstanding but only up to the time all amounts of principal and interest have been placed at the disposal of the Paying Agent, not to provide any security upon its assets for any Bond Issue, including any guarantee or indemnity in respect thereof without at the same time having the Holders share equally and rateably in such security. For the avoidance of doubt, the undertaking contained in this § 10 shall not apply to security provided in connection with asset backed securities issued by a Guarantor's subsidiary, or by a special purpose vehicle where a Guarantor's subsidiary is the originator of the underlying assets.

The Guarantee constitutes a contract for the benefit of the Holders from time to time as third party beneficiaries pursuant to § 328 paragraph 1 BGB (German Civil Code), giving rise to the right of each such Holder to require performance of the Guarantee directly from the Guarantor, and to enforce the Guarantee directly against the Guarantor. Copies of the Guarantee may be obtained free of charge at the principal office of the Guarantor and at the Issuing Agent as set forth in § 7.

"**Bond Issue**" shall mean an issue of debt securities which is, or is intended to be, or is capable of being, quoted, listed or dealt in on any stock exchange, over- the-counter or other securities market.

## § 11
## SUBSTITUTION

(1) *Substitution*. The Issuer shall without the consent of the Holders be entitled at any time to substitute for itself **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** either the Guarantor or**]** any other company, more than 90 per cent. of the shares or other equity interest carrying the right to vote of which are directly or indirectly owned by **[in the case of Notes issued by Volkswagen Financial Services Aktiengesellschaft insert:** it**] [in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** the Guarantor**]** as principal debtor in respect of all obligations arising from or in connection with the Notes (the "**Substitute Issuer**") provided that the Substitute Issuer is in a position to fulfil all payment obligations arising from or in connection with the Notes without the necessity of any taxes of duties to be withheld at source, and to transfer any amounts which are required therefor to the Issuing Agent without any restrictions. Any such substitution shall be notified in accordance with § **[**15**]**.

The Issuer irrevocably and unconditionally guarantees in favour of each Holder the payment of all sums payable by the Substitute Issuer in respect of the Notes on terms equivalent to the terms of the form of the senior guarantee of the Issuer in respect of senior Notes set out in the Agency Agreement.

(2) *References to the Issuer*. In the event of such substitution any reference in these Terms and Conditions to the Issuer shall from then on be deemed to refer to the Substitute Issuer, and any reference to the country in which the Issuer is domiciled shall from then on be deemed to refer to the country of domicile of the Substitute Issuer.

(3) *Negative Pledge*. **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** If the Guarantor becomes the Substitute Issuer, § 10(2) shall cease to apply, but the Undertaking of the Guarantor shall continue to be binding on it.**] [in the case of Notes issued by Volkswagen Financial Services Aktiengesellschaft insert:** If the Issuer will be substituted in its capacity as issuer, its negative pledge given in its capacity as issuer in accordance with § 10(1) shall continue to be binding on it.**]**

**In the case of Notes which provide for Resolution of Holders insert:**

**[§ [12]**
**RESOLUTIONS OF HOLDERS; COMMON REPRESENTATIVE**

**[**(1) *Amendments to the Terms and Conditions by Resolution of the Holders*. These Terms and Conditions may be amended by the Issuer with consent of the Holders based on majority resolution pursuant to § 5 et seq. of the German Act on Issues of Debt Securities, as amended from time to time (*Gesetz über Schuldverschreibungen aus Gesamtemissionen* – "**SchVG**"). In particular, the Holders may consent to amendments which materially change the substance of the Terms and Conditions, including such measures as provided for under § 5, Paragraph 3 of the SchVG. A duly passed majority resolution shall be binding upon all Holders.

(2) *Majority requirements*. Subject to the attainment of the required quorum, Holders decide with the majorities stated in § 5, Paragraph 4, Sentence 1 and 2 of the SchVG.

(3) *Procedure*. Resolutions of the Holders shall be made by means of a vote without a meeting (*Abstimmung ohne Versammlung*) in accordance with § 18 of the SchVG. Holders holding Notes in the total amount of 5 % of the outstanding principal amount of the Notes may request, in text form (e.g. email or fax) or in written form, the holding of a vote without a meeting pursuant to § 9 in connection with § 18 of the SchVG. The request for voting as submitted by the chairman (*Abstimmungsleiter*) will provide the further details relating to the resolutions and the voting procedure. Notice of the subject matter of the vote as well as the proposed resolutions shall be provided to Holders together with the request for voting.

(4) *Participation Right*. Holders must demonstrate their entitlement to participate in the vote at the time of voting by means of a special confirmation of their Custodian (as defined in § **[**16**][**(4)**][**(5)**]** (a) stating the full name and address of the Holder, (b) specifying the aggregate principal amount of Notes credited to the securities account on the date of such statement, and (c) confirming that the depositary bank has given written notice to the Clearing System containing the information pursuant to (a) and (b), and by submission of a blocking instruction by their depositary bank for the benefit of the Paying Agent as depository (*Hinterlegungsstelle*) for the voting period.

(5) *Common Representative*.

**If no Common Representative is designated in the Terms and Conditions but the Holders may appoint a Common Representative, insert:**

**[**The Holders may by majority resolution provide for the appointment or dismissal of a common representative, the duties and responsibilities and the powers of such common representative, the execution of the rights of the Holders to the common representative and a limitation of liability of the common representative. If the common representative is to be authorised to consent to a change in the material substance of the Conditions and which require a resolution passed by qualified majority within the meaning of § 5, Paragraph 4, Sentence 2 of the SchVG, such appointment requires a qualified majority.**]**

**If the Common Representative is appointed in the Terms and Conditions, insert:**

**[[Name, address, contact details to be inserted]**

shall hereby be appointed as common representative of the Holders (*gemeinsamer Vertreter*) pursuant to § 7 and § 8 of the SchVG.**]**

The common representative shall have the duties and powers provided by law or granted by majority resolutions of the Holders.

**If relevant insert further duties and powers of the Common Representative**

**[**In addition, the common representative shall have the following duties and powers:

**and provision on liability:**

**[specify additional duties and powers].]**

**[**Unless the common representative is liable for wilful misconduct (*Vorsatz*) or gross negligence (*grobe Fahrlässigkeit*), the common representative's liability shall be limited to **[**ten times**][insert higher amount]** the amount of its annual remuneration.**]**

(6) *Notifications*. Any notices concerning this § 12 (1) through (5) shall be made in accordance with § 5 et seq. of the SchVG and § **[**15**]** hereof.**]**

## § [13]
## PRESENTATION PERIOD, PRESCRIPTION

The presentation period provided in § 801 paragraph 1, sentence 1 BGB (German Civil Code) is reduced to ten years for the Notes and the period of limitation for claims under the Notes presented during the period for presentation shall be two years calculated from the expiry of the presentation period.

## § [14]
## FURTHER ISSUES, PURCHASES AND CANCELLATION

(1) *Further Issues*. The Issuer may from time to time, without the consent of the Holders, issue further Notes having the same terms and conditions as the Notes in all respects (or in all respects except for the issue date, interest commencement date and/or issue price) so as to form a single Series with the Notes.

(2) *Purchases*. The Issuer may at any time purchase Notes in the open market or otherwise and at any price. Notes purchased by the Issuer may, at the option of the Issuer, be held, resold or surrendered to any Paying Agent for cancellation. If purchases are made by tender, tenders for such Notes must be made available to all Holders of such Notes alike.

(3) *Cancellation*. All Notes redeemed in full shall be cancelled forthwith and may not be reissued or resold.

## § [15]
## NOTICES

**In the case of Notes which are listed on a Stock Exchange insert:**

**[**(1) *Publication.* All notices concerning the Notes shall be published **[if Germany is the home Member State insert:** in the Federal Gazette (*Bundesanzeiger*).**][if the publication is legally required to be made additionally in a newspaper authorised by the stock exchange in Luxembourg, insert:** to the extent legally required in one leading daily newspaper having general circulation in the Grand Duchy of Luxembourg. **[**This**][**These**]** newspaper**[**s**]** **[**is**]** **[**are**]** expected to be the **[***Tageblatt***]** **[***Luxemburger Wort***]** **[insert other applicable newspaper having general circulation].]** Any notice so given will be deemed to have been validly given on the day of such publication (or, if published more than once, on the day of the first such publication).**]**

**If notices may be given by means of electronic publication on the website of the relevant Stock Exchange insert:**

**[**(**[**2**]**) *Electronic Publication.* All notices concerning the Notes will be made **[**additionally**]** by means of electronic publication on the internet website of the **[**Luxembourg Stock Exchange**]** **[insert relevant stock exchange]** (**[**www.bourse.lu**]** **[insert internet address]**). Any notice so given will be deemed to have been validly given on the day of such publication (or, if published more than once, on the day of the first such publication).**]**

(**[**3**]**) *Notification to Clearing System.*

**In the case of Notes which are unlisted insert:**

**[**The Issuer shall deliver all notices concerning the Notes to the Clearing System for communication by the Clearing System to the Holders. Any such notice shall be deemed to have been given to the Holders on the seventh day after the day on which the said notice was given to the Clearing System.**]**

**In the case of Notes which are listed on a Stock Exchange insert:**

**[**If the Rules of the **[insert relevant stock exchange]** so permit, the Issuer may deliver the relevant notice to the Clearing System for communication by the Clearing System to the Holders, in lieu of or in addition to the publication set forth in subparagraph **[**(2)**]** above; any such notice shall be deemed to have been given to the Holders on the seventh day after the day on which the said notice was given to the Clearing System.**]**

(**[**4**]**) *Form of Notice*. Notices to be given by any Holder shall be made in text form (e.g. email or fax) or in written form to be sent together with the relevant Note or Notes to the Issuing Agent. So long as any of the Notes are represented by a Global Note, such notice may be given by any Holder of a Note to the Agent through the Clearing System in such manner as the Agent and the Clearing System may approve for such purpose.

## § [16]
## APPLICABLE LAW, PLACE OF PERFORMANCE, PLACE OF JURISDICTION AND ENFORCEMENT

(1) *Applicable Law.* The Notes, as to form and content, and all rights and duties of the Holders and the Issuer, shall in all respects be determined in accordance with German law. With respect to the rights and duties of **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** the Guarantor,**] [**and the**]** Paying Agents it has been agreed that German law shall also apply.

(2) *Place of Performance*. Place of performance shall be Frankfurt am Main.

(3) *Submission to Jurisdiction.* The place of jurisdiction for all proceedings arising out of or in connection with the Notes shall be Frankfurt am Main. The Holders, however, may also pursue their claims before courts in any other country in which assets of the Issuer are located. The German courts shall have exclusive jurisdiction over the annulment of lost or destroyed Notes. The Issuer hereby submits to the jurisdiction of the courts referred to in this paragraph.

**In the case of Notes issued by Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:**

**[**(4) *Appointment of Authorised Agent.* For any legal disputes or other proceedings before German courts, the Issuer appoints Volkswagen Financial Services Aktiengesellschaft, Gifhorner Strasse 57, 38112 Braunschweig, Federal Republic of Germany, as its authorised agent for service of process in Germany.**]**

**[**(5)**]** *Enforcement.* Any Holder of Notes through a Clearing System may in any proceedings against the Issuer, or to which such Holder and the Issuer are parties, protect and enforce in his own name his rights arising under such Notes on the basis of (i) a statement issued by the Custodian with whom such Holder maintains a securities account in respect of the Notes (a) stating the full name and address of the Holder, (b) specifying the aggregate principal amount of Notes credited to such securities account on the date of such statement and (c) confirming that the Custodian has given written notice to the Clearing System containing the information pursuant to (a) and (b) and (ii) a copy of the Note in global form certified as being a true copy by a duly authorised officer of the Clearing System or a Depository of the Clearing System, without the need for production in such proceedings of the actual records or the Global Note. For purposes of the foregoing, "**Custodian**" means any bank or other financial institution of recognised standing authorised to engage in securities custody business with which the Holder maintains a securities account in respect of the Notes and includes the Clearing System. Each Holder

may, without prejudice to the foregoing, protect and enforce his rights under these Notes also in any other way which is admitted in the country of the Proceedings.

**§ [17]**
**LANGUAGE**

| | |
|---|---|
| **If the Conditions shall be in the German language with an English language translation insert:** | **[**The Terms and Conditions are written in the German language and provided with an English language translation. The German text shall be controlling and binding. The English language translation is provided for convenience only.**]** |
| **If the Conditions shall be in the English language with a German language translation insert:** | **[**These Terms and Conditions are written in the English language and provided with a German language translation. The English text shall be controlling and binding. The German language translation is provided for convenience only.**]** |
| **If the Conditions shall be in the English language only insert:** | **[**The Terms and Conditions are written in the English language only.**]** |
| **In the case of Notes that are publicly offered, in whole or in part, in Germany or distributed in whole or in part to non-qualified investors in Germany and where the controlling language is English insert:** | **[**Eine deutsche Übersetzung der Anleihebedingungen wird bei **[insert name and address of Paying Agent in Germany]** in ihrer Eigenschaft als Paying Agent sowie bei der **[**Volkswagen Financial Services Aktiengesellschaft**]** **[**Volkswagen Leasing GmbH**]** (*Abteilung Treasury/FH-FTK*), Gifhorner Strasse 57, 38112 Braunschweig, Bundesrepublik Deutschland**]** zur kostenlosen Ausgabe bereitgehalten.**]** |

**Option III. Terms and Conditions for Notes with fixed to floating interest rates**

**§ 1**
**CURRENCY, DENOMINATION, FORM AND TITLE, CERTAIN DEFINITIONS**

(1) *Currency and Denomination*. This Series of Notes (the "**Notes**") of **[insert relevant Issuer]** (the "**Issuer**") is being issued in **[insert Specified Currency]** (the "**Specified Currency**") in the aggregate principal amount **[in the case the Global Note is an NGN insert:** (subject to § 1(6))**]** of **[insert Aggregate Principal Amount]** (in words: **[insert Aggregate Principal Amount in words]**) and is divided into **[[insert Number of Notes to be issued in the Specified Denomination]** Notes in the principal amount of **[insert Specified Denomination]** (the "**Specified Denomination**").

(2) *Form and Title*. The Notes are issued in bearer form and represented by one global note (the "**Global Note**"). Title to the Notes shall pass in accordance with the rules of applicable law. Neither the Issuer **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** nor the Guarantor**]** nor the Issuing Agent nor any Paying Agent is obliged to examine the title of any person presenting Notes.

**In the case of Notes which are initially represented by a Temporary Global Note insert:**

**[**(3) *Temporary Global Note – Exchange*.

(a) The Notes are initially represented by a temporary global note (the "**Temporary Global Note**") without interest coupons. The Temporary Global Note will be exchangeable, as provided below, for Notes represented by a permanent global note (the "**Permanent Global Note**") without interest coupons. Definitive Notes will not be issued and the right of the Holder to request the issue and delivery of definitive Notes shall be excluded.

(b) The Temporary Global Note shall be exchanged for Notes represented by the Permanent Global Note on a date (the "**Exchange Date**") not earlier than 40 days after the date of issue of the Temporary Global Note. Such exchange shall only be made upon delivery by the relevant account holder to the Clearing System, and by the Clearing System to the Issuing Agent, of certificates in the form available from the Issuing Agent for such purpose, to the effect that the beneficial owner or owners of the Notes represented by the Temporary Global Note is not a U.S. person (other than certain financial institutions or certain persons holding through such financial institutions). The certifications shall be in compliance with the applicable United States Treasury Regulations. Payment of interest on Notes represented by a Temporary Global Note will be made only after delivery of such certifications. A separate certification shall be required in respect of each such payment of interest. Any such certification received on or after the 40$^{th}$ day after the date of issue of the Temporary Global Note will be treated as a request to exchange such Temporary Global Note pursuant to this subparagraph (b). Any Permanent Global Note delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States (as defined in paragraph (3) of § 6).**]**

**In the case of Notes which are initially represented by a Permanent Global Note insert:**

**[**(3) *Permanent Global Note*.

The Notes are represented by a permanent global note (the "**Permanent Global Note**") without interest coupons. Definitive Notes will not be issued and the right of the Holder to request the issue and delivery of definitive Notes shall be excluded.**]**

(4) *Clearing System.*

The Global Note will be kept in custody by or on behalf of the Clearing System until all obligations of the Issuer under the Notes have been satisfied.

**In the case of Notes kept in custody on behalf of the ICSDs and the Global Note is a NGN insert:**

**[**The Notes are issued in new global note ("**NGN**") form and are kept in custody by a common safekeeper on behalf of both ICSDs.**]**

**In the case of Notes kept in custody on behalf of the ICSDs and the Global Note is a CGN insert:**

**[**The Notes are issued in classical global note ("**CGN**") form and are kept in custody by a common depositary on behalf of both ICSDs.**]**

(5) *Execution of Notes.* Global Notes shall be executed manually on behalf of the Issuer by two authorised representatives of the Issuer and shall be authenticated by or on behalf of the Issuing Agent.

**In the case the Global Note is an NGN insert:**

**[**(6) *Records of the ICSDs*. The aggregate principal amount of Notes represented by the Global Note shall be the aggregate amount from time to time entered in the records of both ICSDs. The records of the ICSDs (which expression means the records that each ICSD holds for its customers which reflect the amount of such customer's interest in the Notes) shall be conclusive evidence of the aggregate principal amount of Notes represented by the Global Note and, for these purposes, a statement issued by an ICSD stating the amount of Notes so represented at any time shall be conclusive evidence of the records of the relevant ICSD at that time.

On any redemption or payment of interest being made in respect of, or purchase and cancellation of, any of the Notes represented by the Global Note the Issuer shall procure that details of any redemption, payment or purchase and cancellation (as the case may be) in respect of the Global Note shall be entered *pro rata* in the records of the ICSDs and, upon any such entry being made, the aggregate principal amount of the Notes recorded in the records of the ICSDs and represented by the Global Note shall be reduced by the aggregate amount of the Notes so redeemed or purchased and cancelled.

**[in the case the Temporary Global Note is an NGN insert:** On an exchange of a portion only of the Notes represented by a Temporary Global Note, the Issuer shall procure that details of such exchange shall be entered pro rata in the records of the ICSDs.**]]**

**[**(7)**]** *Certain Definitions.* For purposes of the Terms and Conditions:

"**Clearing System**" means **[**each of**]** **[**Clearstream Banking AG, Frankfurt am Main ("**CBF**")**]** **[**Euroclear Bank SA/NV ("**Euroclear**")**][**,**]** **[**and**]** **[**,**]** **[**Clearstream Banking, société anonyme, Luxembourg, ("**CBL**")**]** **[**(Euroclear and CBL, each an "**ICSD**" and together the "**ICSDs**")**][**,**]** **[**and**]** **[specify any other Clearing System]**.

"**Calculation Agent**" means the **[**Issuing Agent in its capacity as principal paying agent, acting through its office specified in § 7**][**the Calculation Agent as specified under § 7**]**, or any substitute or additional calculation agent appointed under § 7.

"**Holder**" means, in respect of Notes deposited with any Clearing System or other central securities depository, any holder of a proportionate co-ownership or other beneficial interest or right in the Notes so deposited, and otherwise the bearer of a Note.

"**Paying Agent**" means the Issuing Agent in its capacity as principal paying agent, acting through its office specified in § 7, the Paying

Agent**[**s**]** as further specified in § 7, or any substitute or additional paying agent appointed under § 7.

References herein to the "**Notes**" are references to Notes of this Series and shall, as the context requires, include reference to any Global Note.

References herein to a "**Specified Currency**" shall include any successor currency provided for by the laws in force in the jurisdiction where the Specified Currency is issued or pursuant to intergovernmental agreement or treaty (a "**Successor Currency**") to the extent that payment in the predecessor currency is no longer a legal means of payment by the Issuer on the Notes **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** or, in the event of payments under the Guarantee, by the Guarantor under the Guarantee**]**.

## § 2
## STATUS

The Notes constitute unsecured and senior obligations of the Issuer and rank *pari passu* without any preference among themselves and *pari passu* with all other unsecured and senior obligations of the Issuer unless statutory provisions provide otherwise.

## § 3
## INTEREST

(1) *Fixed Rate Interest Period.*

(a) *Rate of Fixed Interest and Fixed Rate Interest Payment Dates.*

**[**The Notes bear fixed interest on their aggregate principal amount at the rate of **[insert Fixed Interest Rate]** per cent. *per annum* from (and including) **[insert Fixed Rate Interest Commencement Date]** (the "**Fixed Rate Interest Commencement Date**") to (but excluding) **[insert last Fixed Rate Interest Payment Date]**.

Interest shall be payable **[**annually**]** **[**semi-annually**]** **[**quarterly**]** **[**monthly**]** in arrears on **[insert Fixed Rate Interest Payment Date(s)]** (each such date, an "**Fixed Rate Interest Payment Date**"). The first payment of interest shall be made on **[insert First Fixed Rate Interest Payment Date] [if First Fixed Rate Interest Payment Date is not first anniversary of Fixed Rate Interest Commencement Date insert:** and will amount to **[insert Initial Broken Amount per Specified Denomination]** per Specified Denomination**]**. **[If Actual/Actual (ICMA) is applicable insert:** The number of Fixed Rate Interest Payment Dates per calendar year (each a "**Determination Date**") is **[insert number of regular interest payment dates per calendar year]**.**]**

(b) *Calculation of Interest for Partial Periods.* If interest is required to be calculated for a period of less or more than a full year, such interest shall be calculated on the basis of the Day Count Fraction (Fixed Rate) (as defined in subparagraph (c) below).

(c) *Day Count Fraction (Fixed Rate).* "**Day Count Fraction (Fixed Rate)**" means, in respect of the calculation of an amount of fixed interest on any Note pursuant to this § 3 (1) for any period of time (the "**Calculation Period**"):

**In the case of Actual/Actual (ISDA) insert:**

**[**the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap

year divided by 365).**]**

**In the case of Actual/Actual (ICMA) insert:**

**[**1. If the Calculation Period (from and including the first day of such period but excluding the last) is equal to or shorter than the Determination Period during which the Calculation Period ends, the number of days in such Calculation Period (from and including the first day of such period but excluding the last) divided by the product of (1) the number of days in such Determination Period and (2) the number of Fixed Rate Interest Payment Dates that occur in one calendar year or that would occur in one calendar year if interest were payable in respect of the whole of such year; or

2. if the Calculation Period is longer than the Determination Period during which the Calculation Period ends, the sum of: (A) the number of days in such Calculation Period falling in the Determination Period in which the Calculation Period begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Fixed Rate Interest Payment Dates that occur in one calendar year or that would occur in one calendar year if interest were payable in respect of the whole of such year, and (B) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Fixed Rate Interest Payment Dates that occur in one calendar year or that would occur in one calendar year if interest were payable in respect of the whole of such year.

For the purpose of this subparagraph (c), "**Determination Period**" means the period from (and including) the Fixed Rate Interest Commencement Date to (but excluding) the First Fixed Rate Interest Payment Date or from (and including) each Fixed Rate Interest Payment Date to (but excluding) the next Fixed Rate Interest Payment Date. **[in the case of a short first Calculation Period insert:** For the purposes of determining the relevant Determination Period only, **[insert Deemed Fixed Rate Interest Commencement Date or Deemed Fixed Rate Interest Payment Date]** shall be deemed to be a **[**Fixed Rate Interest Commencement Date**] [**Fixed Rate Interest Payment Date**].] [In the case of a long first Calculation Period insert:** For the purposes of determining the relevant Determination Period only, **[insert Deemed Fixed Rate Interest Commencement Date and/or Deemed Fixed Rate Interest Payment Date(s)]** shall **[**each**]** be deemed to be an **[**Fixed Rate Interest Commencement Date**] [**and**] [**Fixed Rate Interest Payment Date**[**s**]].]]**

**In the case of Actual/365 (Fixed) insert:**

**[**the actual number of days in the Calculation Period divided by 365.**]**

**In the case of Actual/360 insert:**

**[**the actual number of days in the Calculation Period divided by 360.**]**

**In the case of 30/360, 360/360 or Bond Basis insert:**

**[**the number of days in the Calculation Period divided by 360, the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (i) the last day of the Calculation Period is the 31$^{st}$ day of a month but the first day of the Calculation Period is a day other than the 30$^{th}$ or 31$^{st}$ day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (ii) the last day of the Calculation Period is the last day of the month of February in which case the month of February shall not be considered to be lengthened to a 30-day month).**]**

**In the case of 30E/360 or Eurobond Basis insert:**

**[**the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or

last day of the Calculation Period unless, in the case of the final Calculation Period, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month).**]**

(2) *Floating Rate Interest Period.*

(a) *Floating Rate Interest Payment Dates*. The Notes bear floating interest on their aggregate principal amount from (and including) **[insert Floating Rate Interest Commencement Date]** (the "**Floating Rate Interest Commencement Date**") to (but excluding) the first Floating Rate Interest Payment Date and thereafter from (and including) each Floating Rate Interest Payment Date to (but excluding) the next following Floating Rate Interest Payment Date. Floating interest on the Notes shall be payable on each Floating Rate Interest Payment Date.

"**Floating Rate Interest Payment Date**" means

**In the case of Floating Rate Specified Interest Payment Dates insert:**

**[**each **[insert Specified Floating Rate Interest Payment Dates]**

**In the case of Specified Floating Rate Interest Periods insert:**

**[**each date which (except as otherwise provided in these Terms and Conditions) falls **[insert Specified Floating Rate Interest Period(s)]** after the preceding Floating Rate Interest Payment Date or, in the case of the first Interest Payment Date, after the Floating Rate Interest Commencement Date.**]**

(b) *Business Day Convention.* If any Floating Rate Interest Payment Date would otherwise fall on a day which is not a Business Day (as defined below), it shall be:

**In the case of the Modified Following Business Day Convention insert:**

**[**postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event the Floating Rate Interest Payment Date shall be brought forward to the immediately preceding Business Day.**]**

**In the case of the FRN Convention insert:**

**[**postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (i) the Floating Rate Interest Payment Date shall be brought forward to the immediately preceding Business Day and (ii) each subsequent payment date shall be the last Business Day in the month which falls **[[insert number]** months**] [insert other specified period(s)]** after the preceding applicable Floating Rate Interest Payment Date.**]**

**In the case of the Following Business Day Convention insert:**

**[**postponed to the next day which is a Business Day.**]**

**In the case of the Preceding Business Day Convention insert:**

**[**brought forward to the immediately preceding Business Day.**]**

In this § 3 (2) "**Business Day**" means a day (other than a Saturday or a Sunday) (i) on which the Clearing System settles payments**[**,**]** **[**and**]** **[**(ii)**]** **[in the case Relevant Financial Centres are applicable insert:** on which commercial banks and foreign exchange markets settle payments in **[**London**]** **[insert all Relevant Financial Centres]]** **[**and**]** **[**(iii)**]** **[in the case TARGET is applicable insert:** on which all relevant parts of the Trans-European Automated Real-time Gross settlement Express Transfer system 2 ("**TARGET2**") are open to effect payments**]**.

(c) *Rate of Floating Interest.*

The rate of floating interest (the "**Rate of Floating Interest**") for each Interest Period (as defined below) will, except as provided below, be the offered quotation **[([**●-month**][**EURIBOR**][**LIBOR**][insert other reference**

**rate])]** (the "**Reference Rate**") (expressed as a percentage rate *per annum*) for deposits in the Specified Currency for that Interest Period which appears on the Screen Page as of 11:00 a.m. (**[**Brussels**] [**London**] [insert other financial center]** time) on the Interest Determination Date (as defined below) **[in the case of a Margin insert: [**plus**] [**minus**]** the Margin (as defined below)**]**, all as determined by the Calculation Agent.

"**Floating Rate Interest Period**" means each period from (and including) the Floating Rate Interest Commencement Date to (but excluding) the first Floating Rate Interest Payment Date and from (and including) each Floating Rate Interest Payment Date to (but excluding) the following Floating Rate Interest Payment Date.

"**Interest Determination Date**" means the **[**second**] [insert other applicable number of days] [**London**] [**TARGET**] [insert the Relevant Financial Centre]** Business Day **[**prior to the commencement**]** of the relevant Floating Rate Interest Period.

**In the case of a TARGET Business Day insert:**

**[**"**TARGET Business Day**" means a day (other than a Saturday or a Sunday) on which all relevant parts of TARGET are open to effect payments.**]**

**In the case of a Non-TARGET Business Day insert:**

**[**"**[London][insert other Relevant Financial Centre] Business Day**" means a day (other than a Saturday or Sunday) on which commercial banks are open for business (including dealings in foreign exchange and foreign currency) in **[**London**][insert other Relevant Financial Centre]**.**]**

**In the case of a Margin insert:**

**[**"**Margin**" means **[insert Margin]** per cent. *per annum*.**]**

"**Screen Page**" means **[insert Screen Page]** or any successor page.

If the Screen Page is not available or if no such quotation appears as at such time, the Calculation Agent shall request the Reference Banks (as defined below) to provide the Calculation Agent with its offered quotation (expressed as a percentage rate *per annum*) for deposits in the Specified Currency for the relevant Floating Rate Interest Period to leading banks in the **[**London**] [insert other financial center]** interbank market **[**in the Euro-Zone**]** at approximately **[**11.00 a.m.**][•] ([**Brussels**] [**London**] [insert other location]** time) on the Interest Determination Date. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Rate of Floating Interest for such Floating Rate Interest Period shall be the arithmetic mean (rounded if necessary to the nearest **[if the Reference Rate is EURIBOR insert:** one thousandth**] [if the Reference Rate is LIBOR insert:** one hundred-thousandth**] [if the Reference Rate is neither EURIBOR or LIBOR insert: •]** of a percentage point, with **[if the Reference Rate is EURIBOR insert:** 0.0005**] [if the Reference Rate is LIBOR insert:** 0.000005**] [if the Reference Rate is neither EURIBOR or LIBOR insert: •]** being rounded upwards) of such offered quotations **[if Margin insert: [**plus**] [**minus**]** the Margin**]**, all as determined by the Calculation Agent.

If on any Interest Determination Date only one or none of the Reference Banks provides the Calculation Agent with such offered quotations as provided in the preceding paragraph, the Rate of Floating Interest for the relevant Floating Rate Interest Period shall be the rate *per annum* which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the nearest **[if the Reference Rate is EURIBOR insert:** one thousandth**] [if the Reference Rate is LIBOR insert:** one hundred-thousandth**] [if the Reference Rate is neither EURIBOR or LIBOR insert: •]** of a percentage point, with **[if the Reference Rate is EURIBOR insert:** 0.0005**] [if the Reference Rate is LIBOR insert:** 0.000005**] [if the Reference Rate is neither EURIBOR or LIBOR insert: •]** being rounded upwards) of the rates, as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, as at **[**11.00 a.m.**][•] ([**Brussels**] [**London**] [insert other location]** time) on the relevant Interest Determination Date,

deposits in the Specified Currency for the relevant Floating Rate Interest Period by leading banks in the **[**London**] [insert other financial center]** interbank market **[**in the Euro-Zone**] [if Margin insert: [**plus**] [**minus**]** the Margin**]** or, if fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the offered rate for deposits in the Specified Currency for the relevant Floating Rate Interest Period, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for the relevant Floating Rate Interest Period, at which, on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Calculation Agent and the Issuer suitable for such purpose) inform(s) the Calculation Agent it is or they are quoting to leading banks in the **[**London**] [insert other financial center]** interbank market **[**in the Euro-Zone**]** (or, as the case may be, the quotations of such bank or banks to the Calculation Agent) **[if Margin insert: [**plus**] [**minus**]** the Margin**]**. If the Rate of Floating Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Floating Interest shall be the offered quotation or the arithmetic mean of the offered quotations on the Screen Page, as described above, on the last day preceding the Interest Determination Date on which such quotations were offered **[if Margin insert: [**plus**] [**minus**]** the Margin (though substituting, where a different Margin is to be applied to the relevant Floating Rate Interest Period from that which applied to the last preceding Floating Rate Interest Period, the Margin relating to the relevant Floating Rate Interest Period in place of the Margin relating to that last preceding Floating Rate Interest Period)**]**.

As used herein, "**Reference Banks**" means **[if no other Reference Banks are specified in the Final Terms, insert:** those offices of **[if the Reference Rate is EURIBOR insert:** not less than four**]** of such banks whose offered rates were used to determine such quotation when such quotation last appeared on the Screen Page**] [if other Reference Banks are specified in the Final Terms, insert names here].**

**In the case of the interbank market in the Euro-Zone insert:**

**[**"**Euro-Zone**" means the region comprised of those member states of the European Union that have adopted, or will have adopted from time to time, the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25 March 1957), as amended by the Treaty on European Union (signed in Maastricht on 7 February 1992), the Amsterdam Treaty of 2 October 1997 and the Treaty of Lisbon of 13 December 2007, as further amended from time to time.**]**

In the case of a Benchmark Event (as defined below), the Reference Rate (as defined above) shall be replaced with a rate determined by the Issuer as follows by applying steps (I) through (IV) in such order (the "**Successor Reference Rate**"):

(I) The Reference Rate shall be replaced with the reference rate, which is announced by the administrator of the Reference Rate, the competent central bank or a regulatory or supervisory authority as the successor rate for the Reference Rate for the term of the Reference Rate and which can be used in accordance with applicable law; or (if such a successor rate cannot be determined);

(II) the Reference Rate shall be replaced with an alternative reference rate, which is or will be commonly used (in accordance with applicable law) as a reference rate for a comparable term for floating rate notes in the respective currency; or (if such an alternative reference rate cannot be determined);

(III) the Reference Rate shall be replaced with an alternative reference rate, which is or will be commonly used (in accordance with applicable law) as a reference rate (x) for interest rate swaps (fix-to-floating) in the relevant currency, or (y) for exchange traded interest rate futures in the relevant currency on a recognised futures exchange for exchange traded interest futures with regard to the Reference Rate for a comparable term; or (if no such alternative reference rate can be determined);

(IV) the Reference Rate shall be replaced with a rate, which is determined by the Issuer (who, for the purposes of such determination, may (but is not obliged to) seek and rely on the opinion of a reputable third party financial adviser or financial institution experienced with the type of calculations required at the time) in its reasonable discretion (*billiges Ermessen*) with regard to the term of the Reference Rate and the relevant currency in a commercially reasonable manner based on the general market interest levels in the Federal Republic of Germany at the relevant time.

"**Benchmark Event**" means:

(a) a public statement by (i) the administrator of the Reference Rate that it will cease publishing the Reference Rate or that the Reference Rate will not be included in the register under Article 36 of the Regulation (EU) 2016/1011 permanently or indefinitely (in circumstances where no successor administrator exists) or any other permanent and final discontinuation of the Reference Rate and by (ii) the relevant competent authority supervising the administrator of the Reference Rate that the Reference Rate has been or will be permanently or indefinitely discontinued; or

(b) a material change in the methodology of determining or calculating the Reference Rate as stated by the relevant competent authority supervising the administrator of the Reference Rate and as compared to the methodology used at the date of the issuance of the Notes if, in the reasonable opinion of the Issuer, such change results in the Reference Rate, calculated in accordance with the new methodology, no longer representating, or being apt to represent adequately, the Reference Rate (as defined above) or in terms of economic substance no longer being comparable to the Reference Rate (as defined above) determined or calculated in accordance with the methodology used at the date of the issuance of the Notes; or

(c) the applicability of any law or any other legal provision, or of any administrative or judicial order, decree or other binding measure, pursuant to which it would be unlawful for the Issuer to continue to use the Reference Rate as a reference rate to determine the payment obligations under the Notes, or pursuant to which any such use is subject to not only immaterial restrictions or adverse consequences.

If a Benchmark Event occurs, the date from which the Reference Rate will be replaced with the Successor Reference Rate shall be the date of the discontinuation of publication of the Reference Rate (in the case of scenario (a) above) and/or the date from which the further use of the Reference Rate would be factually or legally impossible under the Notes (in the case of scenarios (b) and (c) above) (the "**Relevant Date**"). From such Relevant Date, any reference to the Reference Rate shall be read as a reference to the Successor Reference Rate and any reference to the Screen Page herein shall from the Relevant Date on be read as a reference to the Successor Screen Page and the provisions of this paragraph shall apply *mutatis mutandis*. The Issuer shall thereafter inform the Holders of the Notes in accordance with § **[**15**]** as well as the Issuing Agent and the Calculation Agent. The Issuer shall also determine which screen page or other source shall be used in connection with such Successor Reference Rate (the "**Successor Screen Page**").

Further and in addition to any replacement of the Reference Rate with a Successor Reference Rate, the Issuer may apply an adjustment factor or fraction as recommended by a relevant body or, if such recommendation is not available, specify an interest adjustment factor or fraction which shall be applied in determining the Rate of Interest and calculating the Interest Amount (as defined below) and may also make any further adjustments to the Terms and Conditions (e.g. with respect to the Day Count Fraction, Business Day Convention, Business Days, Interest Determination Dates, the method to determine the fallback rate to the Successor Reference Rate), as are necessary for the purpose of

achieving a result which is consistent with the economic substance of the Notes before the Benchmark Event occurred and which is not to the economic detriment of the Holders of the Notes.

**In the case of a Minimum and/or Maximum Rate of Interest insert:**

(d) **[***Minimum***] [***and***] [***Maximum***]** *Rate of Interest*.

**[if Minimum Rate of Interest applies insert:** If the Rate of Floating Interest in respect of any Floating Rate Interest Period determined in accordance with the above provisions is less than **[insert Minimum Rate of Interest]**, the Rate of Floating Interest for such Floating Rate Interest Period shall be **[insert Minimum Rate of Interest]**.**]**

**[if Maximum Rate of Interest applies insert:** If the Rate of Floating Interest in respect of any Floating Rate Interest Period determined in accordance with the above provisions is greater than **[insert Maximum Rate of Interest]**, the Rate of Interest for such Floating Rate Interest Period shall be **[insert Maximum Rate of Interest]**.**]**

**[**(e)**]** *Interest Amount*. The Calculation Agent will, on or as soon as practicable after each time at which the Rate of Floating Interest is to be determined, determine the Rate of Floating Interest and calculate the amount of floating interest (the "**Floating Interest Amount**") payable on the Notes in respect of the Specified Denomination for the relevant Floating Rate Interest Period. Each Floating Interest Amount shall be calculated by applying the Rate of Floating Interest and the Day Count Fraction (Floating Rate) (as defined in subparagraph **[**(h)**]** below) to the Specified Denomination and rounding the resultant figure to the nearest unit of the Specified Currency, with 0.5 of such unit being rounded upwards.

**[**(f)**]** *Notification of Rate of Floating Interest and Floating Interest Amount*. The Calculation Agent will cause notification of the Rate of Floating Interest, each Floating Interest Amount for each Floating Rate Interest Period, each Floating Rate Interest Period and the relevant Floating Rate Interest Payment Date to the Issuer **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** and the Guarantor**]** and to the Holders in accordance with § **[**15**]** as soon as possible after their determination, but in no event later than the fourth **[**London**] [**TARGET**] [insert the Relevant Financial Centre]** Business Day (as defined in § 3(2)) thereafter and, if required by the rules of any stock exchange on which the Notes are from time to time listed, to such stock exchange as soon as possible after their determination, but in no event later than the first day of the relevant Floating Rate Interest Period. Each Floating Interest Amount and Floating Rate Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Floating Rate Interest Period. Any such amendment will be promptly notified to the Issuer, any stock exchange on which the Notes are then listed and to the Holders in accordance with § **[**15**]**.

**[**(g)**]** *Determinations Binding*. All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this § 3 by the Calculation Agent shall (in the absence of manifest error) be binding on the Issuer, **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** the Guarantor**]** the Issuing Agent, the Paying Agents and the Holders.

**[**(h)**]** *Day Count Fraction (Floating Rate).* "**Day Count Fraction (Floating Rate)**" means, in respect of the calculation of an amount of interest on any Note for any period of time (the "**Calculation Period**"):

**In the case of Actual/Actual (ISDA)**

**[**the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the

**insert:**

sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365).**]**

**In the case of Actual/Actual (ICMA) insert:**

**[**1. If the Calculation Period (from and including the first day of such period but excluding the last) is equal to or shorter than the Determination Period during which the Calculation Period ends, the number of days in such Calculation Period (from and including the first day of such period but excluding the last) divided by the product of (1) the number of days in such Determination Period and (2) the number of Floating Rate Interest Payment Dates that occur in one calendar year or that would occur in one calendar year if interest were payable in respect of the whole of such year; or

2. if the Calculation Period is longer than the Determination Period during which the Calculation Period ends, the sum of: (A) the number of days in such Calculation Period falling in the Determination Period in which the Calculation Period begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Floating Rate Interest Payment Dates that occur in one calendar year or that would occur in one calendar year if interest were payable in respect of the whole of such year, and (B) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Floating Rate Interest Payment Dates that occur in one calendar year or that would occur in one calendar year if interest were payable in respect of the whole of such year.

For the purpose of this subparagraph **[**(h)**]**, "**Determination Period**" means the period from (and including) the Floating Rate Interest Commencement Date to (but excluding) the first Floating Rate Interest Payment Date or from (and including) each Floating Rate Interest Payment Date to (but excluding) the next Floating Rate Interest Payment Date. **[in the case of a short first or last Calculation Period insert:** For the purposes of determining the relevant Determination Period only, **[insert Deemed Floating Rate Interest Commencement Date or Deemed Floating Rate Interest Payment Date]** shall be deemed to be a **[**Floating Rate Interest Commencement Date**] [**Floating Rate Interest Payment Date**].] [In the case of a long first or last Calculation Period insert:** For the purposes of determining the relevant Determination Period only, **[insert Deemed Floating Rate Interest Commencement Date and/or Deemed Floating Rate Interest Payment Date(s)]** shall **[**each**]** be deemed to be an **[**Floating Rate Interest Commencement Date**] [**and**] [**Floating Rate Interest Payment Date**[**s**]].]]**

**In the case of Actual/365 (Fixed) insert:**

**[**the actual number of days in the Calculation Period divided by 365.**]**

**In the case of Actual/360 insert:**

**[**the actual number of days in the Calculation Period divided by 360.**]**

**In the case of 30/360, 360/360 or Bond Basis insert:**

**[**the number of days in the Calculation Period divided by 360, the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (i) the last day of the Calculation Period is the 31$^{st}$ day of a month but the first day of the Calculation Period is a day other than the 30$^{th}$ or 31$^{st}$ day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (ii) the last day of the Calculation Period is the last day of the month of February in which case the month of February shall not be considered to be lengthened to a 30-day month).**]**

**In the case of 30E/360 or Eurobond Basis insert:**

**[**the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of the final Calculation Period, the

Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month).**]**

(3) *Accrual of Interest*. If the Issuer shall fail to redeem the Notes when due, interest shall continue to accrue on the outstanding aggregate principal amount of the Notes from the due date to the date of actual redemption but not beyond the fourteenth day after notice has been given by the Issuing Agent in accordance with § **[**15**]** that the funds required for redemption have been provided to the Issuing Agent. The applicable rate of interest will be the default rate of interest established by law.[1]

## § 4
## REDEMPTION

Unless previously redeemed in whole or in part or purchased and cancelled, the Notes shall be redeemed at their Redemption Amount on **[in the case of a specified Maturity Date insert such Maturity Date] [in the case of a Redemption Month insert:** the Floating Rate Interest Payment Date falling in **[insert Redemption Month and year]]** (the "**Maturity Date**"). The Redemption Amount in respect of each Note shall be **[insert Redemption Amount]**[2] per Specified Denomination.

## § 5
## EARLY REDEMPTION

(1) *Early Redemption for Reasons of Taxation*. If as a result of any amendment to, or change in, the laws or regulations of **[in the case of Notes issued by Volkswagen Financial Services N.V. insert:** The Netherlands or**] [in the case of Notes issued by Volkswagen Financial Services Japan Ltd. insert:** Japan or**] [in the case of Notes issued by Volkswagen Financial Services Australia Pty Limited insert:** the Commonwealth of Australia or**]** the Federal Republic of Germany or any political subdivision or taxing authority thereto or therein affecting taxation or the obligation to pay duties of any kind, or any amendment to or change in an official interpretation or application of such laws or regulations, which amendment or change is effective on or after **[insert Issue Date]**, the Issuer **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** or the Guarantor**]** is required to pay Additional Amounts (as defined in § 8 herein **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** and in the Guarantee, respectively**]**) on the next succeeding Fixed Rate Interest Payment Date (as defined in § 3 (1)) or on the next succeeding Floating Rate Interest Payment Date (as defined in § 3 (2)), as the case may be, and this obligation cannot be avoided by the use of reasonable measures available to the Issuer **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** or the Guarantor**]**, the Notes may be redeemed, in whole but not in part, at the option of the Issuer, upon not more than 60 days' nor less than 30 days' prior notice of redemption at their Early Redemption Amount (as defined below), together with interest accrued to the date fixed for redemption.

However, no such notice of redemption may be given (i) earlier than 90 days prior to the earliest date on which the Issuer **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan**

[1] The default rate of interest established by law is five percentage points above the basic rate of interest published by Deutsche Bundesbank from time to time, §§ 288 paragraph 1, 247 BGB (German Civil Code).

[2] The Redemption Amount shall at least be equal to the nominal value.

**Ltd. or Volkswagen Financial Services Australia Pty Limited:** or the Guarantor**]** would be obligated to pay such Additional Amounts or make such deduction or withholding in respect of the Notes then due, or (ii) if at the time such notice is given, such obligation to pay such Additional Amounts or make such deduction or withholding does not remain in effect. If the date fixed for redemption falls within a Floating Rate Interest Period (as defined in § 3 (2) (c), such date fixed for redemption must be a Floating Rate Interest Payment Date.

Any such notice shall be given in accordance with § **[**15**]**. It shall be irrevocable, must specify the date fixed for redemption and must set forth a statement in summary form of the facts constituting the basis for the rights of the Issuer so to redeem (the "**Termination Event**"); it must also contain a statement to the effect that the Issuer **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** or, to the extent that the Termination Event relates to unavoidable payments in respect of the Guarantee, the Guarantor respectively,**]** cannot, in its judgement, avoid the occurrence or continuation of the Termination Event by taking reasonable measures available to it.

**If Notes are subject to Early Redemption for reason of a Benchmark Event insert:**

**[**(2) *Early Redemption for reason of a Benchmark Event.* The Notes may be redeemed, in whole but not in part, at the option of the Issuer upon not more than 60 days' nor less than 30 days' prior notice of redemption at their Early Redemption Amount (as defined below), together with interest accrued to the date fixed for redemption, if a Benchmark Event (as defined in § 3(2)) has occurred and it is not possible, in the Issuer's opinion, to determine a Successor Reference Rate in accordance with the steps I through IV as described in § 3(2).

Any such notice shall be given in accordance with § **[**15**]**. It shall be irrevocable, must specify the date fixed for redemption and must set forth a statement in summary form of the facts constituting the basis for the rights of the Issuer so to redeem.**]**

**If Notes are subject to Early Redemption at the option of the Issuer insert:**

**[[**(3)**]** *Early Redemption at the Option of the Issuer*.

(a) The Issuer may, upon notice given in accordance with subparagraph (b), redeem all or only some of the Notes on the Call Redemption Date(s) or at any time thereafter until the respective subsequent Call Redemption Date at respective the Call Redemption Amount(s) set forth below together with accrued interest, if any, to (but excluding) the respective Call Redemption Date. **[if Minimum Redemption Amount or Higher Redemption Amount applies insert:** Any such redemption must be of a principal amount equal to **[**at least **[insert Minimum Redemption Amount]] [insert Higher Redemption Amount]**.**]**

| Call Redemption Date(s) **[insert Call Redemption Date(s)]** | Call Redemption Amount(s) **[insert Call Redemption Amount(s)]** |
|---|---|
| **[**_____**]** | **[**_____**]** |
| **[**_____**]** | **[**_____**]** |

**[if Notes are subject to Early Redemption at the Option of the Holder insert:** The Issuer may not exercise such option in respect of any Note which is the subject of the prior exercise by the Holder thereof of its option to require the redemption of such Note under paragraph **[**(4)**]** of this § 5.**]**

(b) Notice of redemption shall be given by the Issuer to the Holders of the Notes in accordance with § **[**15**]**. Such notice shall specify:

(i) the Series of Notes subject to redemption;

(ii) whether such Series is to be redeemed in whole or in part only and, if in part only, the aggregate principal amount of the Notes which are to be redeemed;

(iii) the Call Redemption Date, which shall be not less than **[insert Minimum Notice to Holders]** nor more than **[insert Maximum Notice to Holders]** days after the date on which notice is given by the Issuer to the Holders; and

(iv) the Call Redemption Amount at which such Notes are to be redeemed.

**[if Notes are represented by a Permanent Global Note insert:** Notes represented by a Permanent Global Note shall be selected in accordance with the rules and procedures of the relevant Clearing System. **[In the case of Notes in NGN form insert:** Such partial redemption shall be reflected in the records of CBL and Euroclear as either a pool factor or a reduction in aggregate principal amount, at the discretion of CBL and Euroclear.**]]]**

**If the Notes are subject to Early Redemption at the Option of a Holder insert:**

**[[**(4)**]** *Early Redemption at the Option of a Holder*.

(a) The Issuer shall, upon the exercise of the relevant option by the Holder of any Note, redeem such Note on the Put Redemption Date(s) at the Put Redemption Amount(s) set forth below together with accrued interest, if any, to (but excluding) the Put Redemption Date.

| Put Redemption Date(s) **[insert Put Redemption Date(s)]** | Put Redemption Amount(s) **[insert Put Redemption Amount(s)]** |
|---|---|
| **[**_____**]** | **[**_____**]** |
| **[**_____**]** | **[**_____**]]** |

The Holder may not exercise such option in respect of any Note which is the subject of the prior exercise by the Issuer of its option to redeem such Note under this § 5.

(b) In order to exercise such option, the Holder must, not less than **[insert Minimum Notice to Issuer]** and not more than **[insert Maximum Notice to Issuer]** days before the Put Redemption Date on which such redemption is required to be made as specified in the Put Notice (as defined below), send to the specified office of any Paying Agent an early redemption notice in text form (e.g. email or fax) or in written form ("**Put Notice**") in the form available from the specified office of any of the Paying Agents. No option so exercised may be withdrawn or revoked.**]**

**[**(5)**]** *Early Redemption Amount*.

For purposes of paragraph (1) **[in the case of Notes subject to Early Redemption for reason of a Benchmark Event insert: [**and**]** paragraph **[**(2)**]** of this § 5 and § 9, the Early Redemption Amount of a Note shall be **[**the Redemption Amount**] [insert other Early Redemption Amount]**.

## § 6
## PAYMENTS

(1) (a) *Payment of Principal*.

Payment of principal in respect of Notes shall be made, subject to paragraph (2) below, to the Clearing System or to its order for credit to the accounts of the relevant accountholders of the Clearing System upon presentation and surrender of the Global Note at the specified office of any Paying Agent outside the United

States.

(b) *Payment of Interest*. Payment of interest on Notes represented by a Permanent Global Note shall be made, subject to paragraph (2), to the Clearing System or to its order for credit to the relevant accountholders of the Clearing System. Payment of interest will only be made outside of the United States.

**In the case of interest payable on a Temporary Global Note insert:**

**[**Payment of interest on Notes represented by a Temporary Global Note shall be made, subject to paragraph (2), to the Clearing System or to its order for credit to the relevant accountholders of the Clearing System, upon due certification as provided in § 1 (3) (b).**]**

(2) *Manner of Payment.* Subject to applicable fiscal and other laws and regulations, payments of amounts due in respect of the Notes shall be made in the Specified Currency.

(3) *United States*. For purposes of **[in the case of Notes which are initially represented by a Temporary Global Note insert:** § 1 (3) and of**]** paragraph (1) of this § 6, "**United States**" means the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands).

(4) *Discharge.* The Issuer **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited:** or, as the case may be, the Guarantor,**]** shall be discharged by payment to, or to the order of, the Clearing System.

(5) *Payment Business Day*. If the date for payment of any amount in respect of any Note is not a Payment Business Day then the Holder shall not be entitled to payment until the next such day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For this purpose "**Payment Business Day**" means a day which is a Business Day (as defined in § 3 (2) (b)).

**In the case the Specified Currency is Turkish Lira insert:**

**[**(6) *Payment of U.S. Dollar Equivalent.* Notwithstanding the foregoing, if the Issuer is not able to satisfy payments of principal or interest (in whole or in part) in respect of the Notes when due in Turkish Lira, the Issuer shall, by sending an irrevocable notice not less than five or more than 30 calendar days prior to the due date for payment to the Holders, settle any such payment (in whole or in part) in U.S. Dollars on the due date at the U.S. Dollar Equivalent of any such Turkish Lira denominated amount. In case the Issuer needs to satisfy payments of principal or interest in part in Turkish Lira and in part in U.S. Dollars, it shall to the extent possible make payment to each Holder in the same pro rata amount of Turkish Lira and U.S. Dollar in accordance with the rules of the Clearing System from time to time.

For the purpose of these Terms and Conditions, "**U.S. Dollar Equivalent**" means the Turkish Lira amount converted in U.S. Dollars using the Spot Rate for the relevant Spot Rate Determination Date.

**"Spot Rate Determination Business Day"** means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in each of London, New York City, TARGET and in Istanbul.

**"Spot Rate Determination Date"** means the day which is three Determination Business Days before the due date for any payment of the relevant amount under these Terms and Conditions.

**"Spot Rate"** means the Turkish Lira (TRY) / U.S. Dollar (USD) exchange rate (expressed as an amount of TRY per unit of U.S. dollar), as determined by the Calculation Agent at or around 11 a.m. (Istanbul time) on the Spot Rate Determination Date, by reference to Reuters Screen Page **"Europe Spots"** (RIC:EFX=) (or any successor or replacement service or page).

If no such rate is available, the Calculation Agent will determine the

Spot Rate at or around 11 a.m. (Istanbul time) on the Spot Rate Determination Date as the most recently available TRY/USD official fixing rate available on this Screen Page.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provision of this paragraph by the Calculation Agent, will (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Agents and all Holders.**]**

(**[**7**]**) *References to Principal and Interest.* Reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable: the Redemption Amount of the Notes; the Early Redemption Amount of the Notes; **[if redeemable at the option of the Issuer for other than taxation reasons insert:** the Call Redemption Amount(s) of the Notes;**] [if redeemable at the option of the Holder insert:** the Put Redemption Amount(s) of the Notes;**]** and any premium and any other amounts which may be payable under or in respect of the Notes.

Reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any Additional Amounts which may be payable under § 8.

(**[**8**]**) *Deposit of Principal and Interest.* The Issuer may deposit with the local court (*Amtsgericht*) in Frankfurt am Main principal or interest not claimed by Holders within twelve months after the Maturity Date, even though such Holders may not be in default of acceptance. If and to the extent that the deposit is effected and the right of withdrawal is waived, the respective claims of such Holders against the Issuer shall cease.

## § 7
## ISSUING AGENT, PAYING AGENT[S] AND CALCULATION AGENT

(1) *Appointment; Specified Offices.* The initial Issuing Agent, Paying Agent**[**s**]** and the Calculation Agent and their respective initial specified offices are:

| | |
|---|---|
| Issuing Agent and Principal Paying Agent: | Citibank, N.A.<br>Citigroup Centre<br>Canary Wharf<br>London E14 5LB<br>United Kingdom |
| Paying Agent**[**s**]**: | **[**Citibank Europe plc, Germany Branch<br>Reuterweg 16<br>60323 Frankfurt am Main<br>Federal Republic of Germany**]**<br><br>**[insert other Paying Agents and specified offices]** |

**If the Issuing Agent shall act as Calculation Agent insert:**

**[**The Issuing Agent shall also act as Calculation Agent.**]**

**If the Issuing Agent shall not act as Calculation Agent insert:**

| | |
|---|---|
| **[**Calculation Agent: | **[insert name and specified office]]** |

The Issuing Agent, the Paying Agent**[**s**]** and the Calculation Agent reserve the right at any time to change their respective specified offices to some other specified office in the same city.

(2) *Variation or Termination of Appointment.* The Issuer reserves the right at any time to vary or terminate the appointment of the Issuing Agent or any Paying Agent or the Calculation Agent and to appoint another Issuing Agent or additional or other Paying Agents or another Calculation Agent. The Issuer shall at all times maintain (i) an Issuing Agent **[**,**] [**and**]** (ii) a

Paying Agent in addition to the Issuing Agent with a specified office in a continental European city **[in the case of Notes listed on a stock exchange and the rules and regulations of such stock exchange so require insert: [**,**] [**and**]** (iii) so long as the Notes are listed on the **[insert name of Stock Exchange]**, a Paying Agent (which may be the Issuing Agent) with a specified office in **[insert location of Stock Exchange]** and/or in such other place as may be required by such stock exchange**] [in the case the Specified Currency is U.S. Dollars insert: [**,**] [**and**] [**(iv)**]** if payments at or through the offices of all Paying Agents outside the United States (as defined in § 6 (3)) become illegal or are effectively precluded because of the imposition of exchange controls or similar restrictions on the full payment or receipt of such amounts in United States dollars, a Paying Agent with a specified office in New York City**] [insert if Calculation Agent is required to maintain a specified office in a required location: [**,**] [**and**] [**(v)**]** a Calculation Agent with a specified office located in **[insert required location]]**.

Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Holders in accordance with § **[**15**]**.

(3) *Agents of the Issuer.* The Issuing Agent, the Paying Agent**[**s**]** and the Calculation Agent act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for any Holder.

## § 8
## TAXATION

All amounts payable in respect of the Notes shall be made without deduction or withholding for or on account of, any present or future taxes, duties or governmental charges of any nature whatsoever imposed, levied or collected by or in or on behalf of **[in the case of Notes issued by Volkswagen Financial Services N.V. insert:** The Netherlands or**] [in the case of Notes issued by Volkswagen Financial Services Japan Ltd. insert:** Japan or**] [in the case of Notes issued by Volkswagen Financial Services Australia Pty Limited insert:** the Commonwealth of Australia or**]** the Federal Republic of Germany or any political subdivision or taxing authority therein or thereof or the United States of America or any political subdivision on taxing authority therein or thereof ("**Withholding Taxes**") unless such withholding or deduction is required by law. In that event, subject to the exceptions set forth below, the Issuer shall pay such additional amounts (the "**Additional Amounts**") as may be necessary in order that the net amounts received by the Holders of such Notes, after deduction or withholding for or on account of such Withholding Taxes, shall equal the respective amounts which would have been receivable had no such deduction or withholding been required. No such Additional Amounts shall, however, be payable on account of any taxes, duties or governmental charges which:

(1) are payable by any person acting as custodian bank or collecting agent on behalf of a Holder, or otherwise in any manner which does not constitute a deduction or withholding by the Issuer from payments of principal or interest made by it; or

(2) are payable by reason of a change in law (or by reason of any application or official interpretation of any law or regulation) that becomes effective more than 30 days after the relevant payment becomes due, or, if this occurs later, is duly provided for and notice thereof is given in accordance with § **[**15**]**; or

(3) are deducted or withheld by a Paying Agent from a payment if the payment could have been made by another Paying Agent without such deduction or withholding; or

(4) are payable by reason of the Holder having, or having had, some personal or business connection with **[in the case of Notes issued**

**by Volkswagen Financial Services N.V.:** The Netherlands or**] [in the case of Notes issued by Volkswagen Financial Services Japan Ltd.:** Japan or**] [in the case of Notes issued by Volkswagen Financial Services Australia Pty Limited insert:** the Commonwealth of Australia or**]** the Federal Republic of Germany other than the mere fact of his holding the Notes or not merely by reason of the fact that payments in respect of the Notes **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** or under the Guarantee (as defined in § 10 hereof)**]** are, or for purposes of taxation are deemed to be, derived from sources in, or are secured in **[in the case of Notes issued by Volkswagen Financial Services N.V.:** The Netherlands or**] [in the case of Notes issued by Volkswagen Financial Services Australia Pty Limited insert:** the Commonwealth of Australia or**]** the Federal Republic of Germany; or

(5) are deducted or withheld pursuant to (i) any European Union Directive or Regulation concerning the taxation of interest income, or (ii) any international treaty or understanding relating to such taxation and to which **[in the case of Notes issued by Volkswagen Financial Services N.V. insert:** The Netherlands or**] [in the case of Notes issued by Volkswagen Financial Services Japan Ltd. insert:** Japan or**] [in the case of Notes issued by Volkswagen Financial Services Australia Pty Limited insert:** the Commonwealth of Australia or**]** the Federal Republic of Germany or the European Union is a party, or (iii) any provision of law implementing, or complying with, or introduced to conform with, such Directive, Regulation, treaty or understanding, or (iv) sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended, and any current or future regulations or official interpretations thereof or agreement thereunder (including, without limitation, any intergovernmental agreement between the U.S. and any other jurisdiction or any treaty, law, regulation or other official guidance enacted to implement such intergovernmental agreement) ("**FATCA**"); **[**or**]**

(6) would not be payable if the Notes had been kept in safe custody with, and the payments had been collected by, a banking institution**[**.**][**;**]**

**In the case of Notes issued by VWFSJ insert:**

**[**(7) are payable in respect of a payment in relation to Notes issued by VWFSJ, where the amount of interest on such Note is to be calculated by reference to certain indicators (as prescribed under the cabinet order relating to Article 6, paragraph 4 of the Special Taxation Measures Law of Japan) relating to VWFSJ or a person or entity having a special relationship with VWFSJ, as provided in Article 6, paragraph 4 of the Special Taxation Measures Law of Japan (a "**specially-related person of VWFSJ**"), except where the recipient of interest is a Japanese designated financial institution described in Article 6, paragraph 9 of the Special Taxation Measures Law of Japan which has complied with the requirements under that paragraph; or

(8) are deducted or withheld pursuant to the Special Taxation Measures Law of Japan in respect of a payment in relation to Notes issued by VWFSJ. Interest payments on the Notes to be paid to an individual resident of Japan, to a Japanese corporation (except for (i) a Japanese designated financial institution described in Article 6, paragraph 9 of the Special Taxation Measures Law which has complied with the requirements under that paragraph and (ii) a public corporation, a financial institution or a financial instruments business operator, etc., as provided in Article 3-3, paragraph 6 of the Special Taxation Measures Law which receives the interest payments through its payment handling agent in Japan and complies with the requirement for tax exemption under that paragraph), or to an individual non-resident of Japan or a non-Japanese corporation that in either case is a specially-related person of VWFSJ will be subject

to deduction in respect of Japanese income tax at a rate of 15 per cent. (as for the period beginning on 1 January 2013 and ending on 31 December 2037, 15.315 per cent.) of the amount of such interest.**]**

**In the case of Notes issued by Volkswagen Financial Services Australia Pty Limited insert:**

**[**(7) are payable by reason of the Holder being a person who could lawfully avoid (but has not so avoided) such deduction or withholding by complying or procuring that any third party complies with any statutory requirements or by making or procuring that any third party makes a declaration of non-residence or other similar claim for exemption to any tax authority in the place where the relevant Note is presented for payment; or

(8) are payable by reason of the Holder (or a person on behalf of the Holder) to provide an Australian Business Number, an Australian Tax File Number or details of any relevant exemption from these requirements; or

(9) are payable by reason of the Australian Commissioner of Taxation giving a notice under Section 255 of the Income Tax Assessment Act 1936 of Australia or Section 260-5 of Schedule One to the Taxation Administration Act 1953 of Australia; or

(10) are payable by reason of the Holder, or a person with an interest in the Notes, being an Offshore Associate of the Issuer acting other than in the capacity of a clearing house, paying agent, custodian, funds manager or responsible entity of a registered scheme within the meaning of the Corporations Act 2001 of Australia. "**Offshore Associate**" means an associate (as defined in section 128F(9) of the Income Tax Assessment Act 1936 of Australia) of the Issuer that is either:

(a) a non-resident of Australia which does not acquire the Notes, or an interest in the Notes, in the course of carrying on a business at or through a permanent establishment in Australia; or

(b) a resident of Australia that acquires the Notes, or an interest in the Notes, in the course of carrying on a business at or through a permanent establishment outside Australia.**]**

## § 9
## EVENTS OF DEFAULT

(1) *Events of Default*. Each Holder shall be entitled to declare his Notes due and demand immediate redemption thereof at the Early Redemption Amount (as described in § 5**[**(5)**]**), together with accrued interest (if any) to the date of repayment, in the event that:

(a) any amount due under the Notes has not been paid within 30 days from the relevant due date; or

(b) the Issuer fails duly to perform any other obligation arising from the Notes **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** or the Guarantor should fail to perform any obligation arising from the Undertaking (as defined in § 10) contained in the Guarantee**]** and such failure continues unremedied for more than 90 days after the Issuing Agent has received notice thereof from a Holder; or

(c) the Issuer **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** or the Guarantor**]** announces its inability to meet its financial obligations; or

(d) a court opens bankruptcy or other insolvency proceedings against the Issuer **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** or the Guarantor,**]** or such proceedings are instituted and have not been discharged or stayed within 60 days, or the Issuer **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** or the Guarantor**]** applies for or institutes such proceedings **[in the case of Notes issued by Volkswagen Financial Services N.V.:** or the Issuer applies for a "*Surseance van Betaling*" (within the meaning of the Statutes of Bankruptcy of The Netherlands ("*Faillissementswet*")**]**; or

(e) the Issuer **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** or the Guarantor**]** goes into liquidation unless this is done in connection with a merger, consolidation or other form of combination with another company and such other or new company assumes all obligations contracted by the Issuer **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** or the Guarantor, as the case may be**]**, in connection with the issue of the Notes **[.] [**; or**]**

**[In the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:**

(f) the Guarantee ceases to be in full form and effect.**]**

(2) *Termination*. The right to declare Notes due shall terminate if the situation giving rise to it has been cured before the right is exercised.

(3) *Notice*. Any notice, including any notice declaring Notes due, in accordance with this § 9 shall be made in text form (e.g. email or fax) or in written form in the German or English language sent to the specified office of the Issuing Agent and shall state the principal amount of the relevant Notes and shall enclose evidence of ownership reasonably satisfactory to the Issuing Agent.

## § 10
## NEGATIVE PLEDGE OF THE ISSUER [, GUARANTEE AND UNDERTAKING OF THE GUARANTOR]

(1) *Negative Pledge*. So long as any of the Notes remain outstanding, but only up to the time all amounts of principal and interest have been placed at the disposal of the Issuing Agent, the Issuer undertakes not to provide any security upon its assets for other notes or bonds including any guarantee or indemnity in respect thereof without at the same time having the Holders share equally and rateably in such security. For the avoidance of doubt, the undertaking contained in this § 10 shall not apply to security provided in connection with asset backed securities issued by subsidiaries of Volkswagen Financial Services AG, or by a special purpose vehicle where the Issuer is the originator of the underlying assets.

**[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited**

**insert:**

(2) *Guarantee.* Volkswagen Financial Services Aktiengesellschaft (the "**Guarantor**") has given its unconditional and irrevocable guarantee (the "**Guarantee**") for the due payment of the amounts corresponding to the principal of and interest on the Notes. In this Guarantee, the Guarantor has further undertaken (the "**Undertaking**"), as long as Notes are outstanding but only up to the time all amounts of principal and interest have been placed at the disposal of the Paying Agent, not to provide any security upon its assets for any Bond Issue, including any guarantee or indemnity in respect thereof without at the same time having the Holders share equally and rateably in such security. For the avoidance of doubt, the undertaking contained in this § 10 shall not apply to security provided in connection with asset backed securities issued by a Guarantor's subsidiary, or by a special purpose vehicle where a Guarantor's subsidiary is the originator of the underlying assets.

The Guarantee constitutes a contract for the benefit of the Holders from time to time as third party beneficiaries pursuant to § 328 paragraph 1 BGB (German Civil Code), giving rise to the right of each such Holder to require performance of the Guarantee directly from the Guarantor, and to enforce the Guarantee directly against the Guarantor. Copies of the Guarantee may be obtained free of charge at the principal office of the Guarantor and at the Issuing Agent as set forth in § 7.

"**Bond Issue**" shall mean an issue of debt securities which is, or is intended to be, or is capable of being, quoted, listed or dealt in on any stock exchange, over- the-counter or other securities market.

## § 11
## SUBSTITUTION

(1) *Substitution*. The Issuer shall without the consent of the Holders be entitled at any time to substitute for itself **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** either the Guarantor or**]** any other company, more than 90 per cent. of the shares or other equity interest carrying the right to vote of which are directly or indirectly owned by **[in the case of Notes issued by Volkswagen Financial Services Aktiengesellschaft insert:** it**] [in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** the Guarantor**]** as principal debtor in respect of all obligations arising from or in connection with the Notes (the "**Substitute Issuer**") provided that the Substitute Issuer is in a position to fulfil all payment obligations arising from or in connection with the Notes without the necessity of any taxes of duties to be withheld at source, and to transfer any amounts which are required therefor to the Issuing Agent without any restrictions. Any such substitution shall be notified in accordance with § **[**15**]**.

The Issuer irrevocably and unconditionally guarantees in favour of each Holder the payment of all sums payable by the Substitute Issuer in respect of the Notes on terms equivalent to the terms of the form of the senior guarantee of the Issuer in respect of senior Notes set out in the Agency Agreement.

(2) *References to the Issuer*. In the event of such substitution any reference in these Terms and Conditions to the Issuer shall from then on be deemed to refer to the Substitute Issuer, and any reference to the country in which the Issuer is domiciled shall from then on be deemed to refer to the country of domicile of the Substitute Issuer.

(3) *Negative Pledge*. **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial**

**Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** If the Guarantor becomes the Substitute Issuer, § 10(2) shall cease to apply, but the Undertaking of the Guarantor shall continue to be binding on it.**]** **[in the case of Notes issued by Volkswagen Financial Services Aktiengesellschaft insert:** If the Issuer will be substituted in its capacity as issuer, its negative pledge given in its capacity as issuer in accordance with § 10(1) shall continue to be binding on it.**]**

**In the case of Notes which provide for Resolution of Holders insert:**

**[§ [12]**
**RESOLUTIONS OF HOLDERS; COMMON REPRESENTATIVE**

**[**(1) *Amendments to the Terms and Conditions by Resolution of the Holders*. **[**These**]** Terms and Conditions may be amended by the Issuer with consent of the Holders based on majority resolution pursuant to § 5 et seq. of the German Act on Issues of Debt Securities, as amended from time to time (*Gesetz über Schuldverschreibungen aus Gesamtemissionen* – "**SchVG**"). In particular, the Holders may consent to amendments which materially change the substance of the Terms and Conditions, including such measures as provided for under § 5, Paragraph 3 of the SchVG. A duly passed majority resolution shall be binding upon all Holders.

(2) *Majority requirements*. Subject to the attainment of the required quorum, Holders decide with the majorities stated in § 5, Paragraph 4, Sentence 1 and 2 of the SchVG.

(3) *Procedure*. Resolutions of the Holders shall be made by means of a vote without a meeting (*Abstimmung ohne Versammlung*) in accordance with § 18 of the SchVG. Holders holding Notes in the total amount of 5 % of the outstanding principal amount of the Notes may request, in text form (e.g. email or fax) or in written form, the holding of a vote without a meeting pursuant to § 9 in connection with § 18 of the SchVG. The request for voting as submitted by the chairman (*Abstimmungsleiter*) will provide the further details relating to the resolutions and the voting procedure. Notice of the subject matter of the vote as well as the proposed resolutions shall be provided to Holders together with the request for voting.

(4) *Participation Right*. Holders must demonstrate their entitlement to participate in the vote at the time of voting by means of a special confirmation of their Custodian (as defined in § **[**16**][**(4)**][**(5)**]** (a) stating the full name and address of the Holder, (b) specifying the aggregate principal amount of Notes credited to the securities account on the date of such statement, and (c) confirming that the depositary bank has given written notice to the Clearing System containing the information pursuant to (a) and (b), and by submission of a blocking instruction by their depositary bank for the benefit of the Paying Agent as depository (*Hinterlegungsstelle*) for the voting period.

(5) *Common Representative*.

**If no Common Representative is designated in the Terms and Conditions but the Holders may appoint a Common Representative, insert:**

**[**The Holders may by majority resolution provide for the appointment or dismissal of a common representative, the duties and responsibilities and the powers of such common representative, the execution of the rights of the Holders to the common representative and a limitation of liability of the common representative. If the common representative is to be authorised to consent to a change in the material substance of the Conditions and which require a resolution passed by qualified majority within the meaning of § 5, Paragraph 4, Sentence 2 of the SchVG, such appointment requires a qualified majority.**]**

**If the Common Representative is appointed in the Terms and Conditions, insert:**

**[[Name, address, contact details to be inserted]**

shall hereby be appointed as common representative of the Holders (*gemeinsamer Vertreter*) pursuant to § 7 and § 8 of the SchVG.**]**

The common representative shall have the duties and powers provided by law or granted by majority resolutions of the Holders.

**If relevant insert further duties and powers of the Common Representative and provision on liability:**

**[**In addition, the common representative shall have the following duties and powers:

**[specify additional duties and powers].]**

**[**Unless the common representative is liable for wilful misconduct (*Vorsatz*) or gross negligence (*grobe Fahrlässigkeit*), the common representative's liability shall be limited to **[**ten times**][insert higher amount]** the amount of its annual remuneration.**]**

(6) *Notifications*. Any notices concerning this § 12(1) through (5) shall be made in accordance with § 5 et seq. of the SchVG and § **[**15**]** hereof.**]**

## § [13]
## PRESENTATION PERIOD, PRESCRIPTION

The presentation period provided in § 801 paragraph 1, sentence 1 BGB (German Civil Code) is reduced to ten years for the Notes and the period of limitation for claims under the Notes presented during the period for presentation shall be two years calculated from the expiry of the presentation period.

## § [14]
## FURTHER ISSUES, PURCHASES AND CANCELLATION

(1) *Further Issues*. The Issuer may from time to time, without the consent of the Holders, issue further Notes having the same terms and conditions as the Notes in all respects (or in all respects except for the issue date, interest commencement date and/or issue price) so as to form a single Series with the Notes.

(2) *Purchases*. The Issuer may at any time purchase Notes in the open market or otherwise and at any price. Notes purchased by the Issuer may, at the option of the Issuer, be held, resold or surrendered to any Paying Agent for cancellation. If purchases are made by tender, tenders for such Notes must be made available to all Holders of such Notes alike.

(3) *Cancellation*. All Notes redeemed in full shall be cancelled forthwith and may not be reissued or resold.

## § [15]
## NOTICES

**In the case of Notes which are listed on a Stock Exchange insert:**

**[**(1) *Publication.* All notices concerning the Notes shall be published **[if Germany is the home Member State insert:** in the Federal Gazette (*Bundesanzeiger*).**][if the publication is legally required to be made additionally in a newspaper authorised by the stock exchange in Luxembourg, insert:** to the extent legally required in one leading daily newspaper having general circulation in the Grand Duchy of Luxembourg. **[**This**][**These**]** newspaper**[**s**]** **[**is**]** **[**are**]** expected to be the **[***Tageblatt***]** **[***Luxemburger Wort***]** **[insert other applicable newspaper having general circulation]**.**]** Any notice so given will be deemed to have been validly given on the day of such publication (or, if published more than once, on the day of the first such publication).**]**

**If notices may be given by means of electronic publication on the website of the relevant Stock Exchange insert:**

**[([**2**])** *Electronic Publication.* All notices concerning the Notes will be made **[**additionally**]** by means of electronic publication on the internet website of the **[**Luxembourg Stock Exchange**]** **[insert relevant stock exchange]** (**[**www.bourse.lu**]** **[insert internet address]**). Any notice so given will be deemed to have been validly given on the day of such publication (or, if published more than once, on the day of the first such publication).**]**

(**[**3**]**) *Notification to Clearing System.*

**In the case of Notes which are unlisted insert:**

**[**The Issuer shall deliver all notices concerning the Notes to the Clearing System for communication by the Clearing System to the Holders. Any such notice shall be deemed to have been given to the Holders on the seventh day after the day on which the said notice was given to the Clearing System.**]**

**In the case of Notes which are listed on a Stock Exchange insert:**

**[**If the Rules of the **[insert relevant stock exchange]** so permit, the Issuer may deliver the relevant notice to the Clearing System for communication by the Clearing System to the Holders, in lieu of or in addition to the publication set forth in subparagraph **[**(2)**]** above; any such notice shall be deemed to have been given to the Holders on the seventh day after the day on which the said notice was given to the Clearing System.**]**

(**[**4**]**) *Form of Notice*. Notices to be given by any Holder shall be made in text form (e.g. email or fax) or in written form to be sent together with the relevant Note or Notes to the Issuing Agent. So long as any of the Notes are represented by a Global Note, such notice may be given by any Holder of a Note to the Agent through the Clearing System in such manner as the Agent and the Clearing System may approve for such purpose.

## § [16]
## APPLICABLE LAW, PLACE OF PERFORMANCE, PLACE OF JURISDICTION AND ENFORCEMENT

(1) *Applicable Law.* The Notes, as to form and content, and all rights and duties of the Holders and the Issuer, shall in all respects be determined in accordance with German law. With respect to the rights and duties of **[in the case of Notes issued by Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:** the Guarantor,**]** **[**and the**]** Paying Agents it has been agreed that German law shall also apply.

(2) *Place of Performance*. Place of performance shall be Frankfurt am Main.

(3) *Submission to Jurisdiction.* The place of jurisdiction for all proceedings arising out of or in connection with the Notes shall be Frankfurt am Main. The Holders, however, may also pursue their claims before courts in any other country in which assets of the Issuer are located. The German courts shall have exclusive jurisdiction over the annulment of lost or destroyed Notes. The Issuer hereby submits to the jurisdiction of the courts referred to in this paragraph.

**In the case of Notes issued by Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. or Volkswagen Financial Services Australia Pty Limited insert:**

**[**(4) *Appointment of Authorised Agent.* For any legal disputes or other proceedings before German courts, the Issuer appoints Volkswagen Financial Services Aktiengesellschaft, Gifhorner Strasse 57, 38112 Braunschweig, Federal Republic of Germany, as its authorised agent for service of process in Germany.**]**

**[**(5)**]** *Enforcement.* Any Holder of Notes through a Clearing System may in any proceedings against the Issuer, or to which such Holder and the Issuer are parties, protect and enforce in his own name his rights arising under such Notes on the basis of (i) a statement issued by the Custodian with whom such Holder maintains a securities account in respect of the Notes (a) stating the full name and address of the Holder, (b) specifying the aggregate principal amount of Notes credited to such securities account on the date of such statement and (c) confirming that the Custodian has given written notice to the Clearing System containing the information pursuant to (a) and (b) and (ii) a copy of the Note in global form certified as being a true copy by

a duly authorised officer of the Clearing System or a Depository of the Clearing System, without the need for production in such proceedings of the actual records or the Global Note. For purposes of the foregoing, "**Custodian**" means any bank or other financial institution of recognised standing authorised to engage in securities custody business with which the Holder maintains a securities account in respect of the Notes and includes the Clearing System. Each Holder may, without prejudice to the foregoing, protect and enforce his rights under these Notes also in any other way which is admitted in the country of the Proceedings.

**§ [17]**
**LANGUAGE**

| | |
|---|---|
| **If the Conditions shall be in the German language with an English language translation insert:** | **[**The Terms and Conditions are written in the German language and provided with an English language translation. The German text shall be controlling and binding. The English language translation is provided for convenience only.**]** |
| **If the Conditions shall be in the English language with a German language translation insert:** | **[**These Terms and Conditions are written in the English language and provided with a German language translation. The English text shall be controlling and binding. The German language translation is provided for convenience only.**]** |
| **If the Conditions shall be in the English language only insert:** | **[**The Terms and Conditions are written in the English language only.**]** |
| **In the case of Notes that are publicly offered, in whole or in part, in Germany or distributed in whole or in part to non-qualified investors in Germany and where the controlling language is English insert:** | **[***Eine deutsche Übersetzung der Anleihebedingungen wird bei* ***[insert name and address of Paying Agent in Germany]*** *in ihrer Eigenschaft als Paying Agent sowie bei der* ***[****Volkswagen Financial Services Aktiengesellschaft****]*** ***[****Volkswagen Leasing GmbH****]*** *(Abteilung Treasury/FH-FTK), Gifhorner Strasse 57, 38112 Braunschweig, Bundesrepublik Deutschland****]*** *zur kostenlosen Ausgabe bereitgehalten.***]** |

# Deutsche Fassung der Anleihebedingungen

Diese Serie von Schuldverschreibungen wird gemäß dem geänderten und neu gefassten agency agreement (das "**Agency Agreement**") vom 6. Juni 2019 zwischen Volkswagen Financial Services Aktiengesellschaft, Volkswagen Leasing GmbH, Volkswagen Financial Services, N.V., Volkswagen Financial Services Japan Ltd., Volkswagen Financial Services Australia Pty Limited, Citibank, N.A. als Emissions- und Hauptzahlstelle (die "**Emissionsstelle**", wobei dieser Begriff auch jeden Nachfolger einschließt), und Citibank Europe plc, Germany Branch als Zahlstelle (gemeinsam mit der Emissionsstelle jeweils die "**Zahlstelle**", wobei dieser Begriff auch Nachfolger der Zahlstelle und weitere Zahlstellen einschließt) begeben. **[im Falle von Schuldverschreibungen, die von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begeben werden einfügen:** Die Schuldverschreibungen sind mit einer unbedingten und unwiderruflichen Garantie (die "**Garantie**") der Volkswagen Financial Services Aktiengesellschaft (die "**Garantin**") ausgestattet.**]**

**Im Fall, dass die Endgültigen Bedingungen, die für eine einzelne Tranche von Schuldverschreibungen anwendbar sind, nur auf die weiteren Optionen verweisen, die im Satz der Anleihebedingungen der Option I, II oder III enthalten sind (Verweis-Bedingungen), einfügen:**

**[**Die Bestimmungen dieser Anleihebedingungen gelten für diese Schuldverschreibungen so, wie sie durch die Angaben der beigefügten endgültigen Bedingungen vervollständigt werden (die "**Endgültigen Bedingungen**"). Die Leerstellen in den auf die Schuldverschreibungen anwendbaren Bestimmungen dieser Anleihebedingungen gelten als durch die in Teil I. der Endgültigen Bedingungen enthaltenen Angaben ausgefüllt, als ob die Leerstellen in den betreffenden Bestimmungen durch diese Angaben ausgefüllt wären; alternative oder wählbare Bestimmungen dieser Anleihebedingungen, deren Entsprechungen in den Endgültigen Bedingungen nicht ausgefüllt oder gestrichen sind, gelten als aus diesen Anleihebedingungen gestrichen. Sämtliche auf die Schuldverschreibungen nicht anwendbaren Bestimmungen dieser Anleihebedingungen (einschließlich der Anweisungen, Anmerkungen und der Texte in eckigen Klammern) gelten als aus diesen Anleihebedingungen gestrichen, so dass die Bestimmungen der Endgültigen Bedingungen Geltung erhalten. Kopien der Endgültigen Bedingungen sind kostenlos bei der bezeichneten Geschäftsstelle der Emissionsstelle und bei den bezeichneten Geschäftsstellen einer jeden Zahlstelle erhältlich; bei nicht an einer Börse notierten Schuldverschreibungen sind Kopien der betreffenden Endgültigen Bedingungen ausschließlich für die Gläubiger solcher Schuldverschreibungen erhältlich.**]**

## Option I. Anleihebedingungen für Schuldverschreibungen mit fester Verzinsung

### § 1
### WÄHRUNG, NENNBETRAG, FORM UND EIGENTUMSRECHT, DEFINITIONEN

(1) *Währung und Nennbetrag.* Diese Serie der Schuldverschreibungen (die "**Schuldverschreibungen**") der **[maßgebliche Emittentin einfügen]** (die "**Emittentin**") wird in **[Festgelegte Währung einfügen]** (die "**Festgelegte Währung**") im Gesamtnennbetrag von **[falls die Globalurkunde eine NGN ist, einfügen:** (vorbehaltlich § 1 Absatz 6)**] [Gesamtnennbetrag einfügen]** (in Worten: **[Gesamtnennbetrag in Worten einfügen]**) begeben und ist eingeteilt in **[[Anzahl der Schuldverschreibungen, welche in der Festgelegten Stückelung begeben werden, einfügen]** Schuldverschreibungen im Nennbetrag von **[Festgelegte Stückelung einfügen]]** (die "**Festgelegte Stückelung**").

(2) *Form und Eigentumsrecht*. Die Schuldverschreibungen lauten auf den Inhaber und sind durch eine Globalurkunde verbrieft (die"**Globalurkunde**"). Die Übertragung des Eigentumsrechts an den Schuldverschreibungen erfolgt nach den Vorschriften des jeweils anwendbaren Rechts. Weder die Emittentin **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services**

**Australia Pty Limited begebenen Schuldverschreibungen einfügen:** noch die Garantin,**]** noch die Emissionsstelle oder eine der Zahlstellen sind verpflichtet, das Eigentumsrecht desjenigen, der Schuldverschreibungen vorlegt, zu überprüfen.

**Bei Schuldverschreibungen, die anfänglich durch eine vorläufige Globalurkunde verbrieft sind, einfügen:**

**[**(3) *Vorläufige Globalurkunde – Austausch.*

(a) Die Schuldverschreibungen sind anfänglich in einer vorläufigen Globalurkunde (die "**vorläufige Globalurkunde**") **[bei festverzinslichen Schuldverschreibungen, die keine Nullkupon-Schuldverschreibungen sind, einfügen:** ohne Zinsscheine**]** verbrieft. Die vorläufige Globalurkunde wird, wie nachstehend bestimmt, gegen Schuldverschreibungen, die durch eine Dauerglobalurkunde (die "**Dauerglobalurkunde**") **[bei festverzinslichen Schuldverschreibungen, die keine Nullkupon-Schuldverschreibungen sind, einfügen:** ohne Zinsscheine**]** verbrieft sind, ausgetauscht. Einzelurkunden werden nicht ausgegeben und das Recht der Gläubiger, die Ausstellung und Lieferung von Einzelurkunden zu verlangen, wird ausgeschlossen.

(b) Die vorläufige Globalurkunde wird gegen durch eine Dauerglobalurkunde verbriefte Schuldverschreibungen an dem Austauschtag (der "**Austauschtag**") ausgetauscht, der mindestens 40 Tage nach dem Tag der Begebung der vorläufigen Globalurkunde liegt. Ein solcher Austausch soll nur nach Vorlage einer Bescheinigung durch den jeweiligen Kontoinhaber bei dem Clearingsystem sowie durch das Clearingsystem bei der Emissionsstelle, in der Form von für diese Zwecke bei der Emissionsstelle erhältlichen Formularen, erfolgen. Darin wird bescheinigt, dass der bzw. die wirtschaftlichen Eigentümer der durch die vorläufige Globalurkunde verbrieften Schuldverschreibungen keine US-Personen sind (ausgenommen bestimmte Finanzinstitute oder bestimmte Personen, die die Schuldverschreibungen über solche Finanzinstitute halten). Die Bescheinigungen müssen die anwendbaren Durchführungsbestimmungen des U.S. Finanzministeriums (*U.S. Treasury Regulations*) beachten. Zinszahlungen auf durch eine Vorläufige Globalurkunde verbriefte Schuldverschreibungen erfolgen erst nach Vorlage solcher Bescheinigungen. Eine gesonderte Bescheinigung ist hinsichtlich einer jeden solchen Zinszahlung erforderlich. Jede Bescheinigung, die am oder nach dem 40. Tag nach dem Tag der Ausgabe der Vorläufigen Globalurkunde eingeht, gilt als Aufforderung, diese Vorläufige Globalurkunde gemäß dieses Unterabsatzes (b) auszutauschen. Jede Dauerglobalurkunde, die im Austausch für die vorläufige Globalurkunde geliefert wird, wird ausschließlich außerhalb der Vereinigten Staaten von Amerika (wie in § 6 Absatz 3 definiert) ausgeliefert.**]**

**Bei Schuldverschreibungen, die von Anfang an durch eine Dauerglobalurkunde verbrieft sind einfügen:**

**[**(3) *Dauerglobalurkunde*.

Die Schuldverschreibungen sind durch eine Dauerglobalurkunde (die "**Dauerglobalurkunde**") **[bei festverzinslichen Schuldverschreibungen, die keine Nullkupon-Schuldverschreibungen sind, einfügen:** ohne Zinsscheine**]** verbrieft. Einzelurkunden werden nicht ausgegeben und das Recht der Gläubiger, die Ausstellung und Lieferung von Einzelurkunden zu verlangen, wird ausgeschlossen.**]**

(4) *Clearing System*.

Die Globalurkunde wird solange von einem oder im Namen eines Clearingsystems verwahrt, bis sämtliche Verbindlichkeiten der Emittentin aus den Schuldverschreibungen erfüllt sind.

**Im Fall von Schuldverschreibungen,**

**[**Die Schuldverschreibungen werden in Form einer new global note ("**NGN**") ausgegeben und von einem common safekeeper im Namen

**die im Namen der ICSDs verwahrt werden, und die Globalurkunde eine NGN ist, einfügen:**

beider ICSDs verwahrt.**]**

**Im Fall von Schuldverschreibungen, die im Namen der ICSDs verwahrt werden, und die Globalurkunde eine CGN ist, einfügen:**

**[**Die Schuldverschreibungen werden in Form einer classical global note ("**CGN**") ausgegeben und von einer gemeinsamen Verwahrstelle im Namen beider ICSDs verwahrt.**]**

(5) *Unterzeichnung der Schuldverschreibungen.* Die Globalurkunden werden handschriftlich namens der Emittentin durch zwei bevollmächtigte Vertreter der Emittentin unterzeichnet und tragen die Kontrollunterschrift der Emissionsstelle oder ihres Beauftragten.

**Falls die Globalurkunde eine NGN ist, einfügen:**

**[**(6) *Register der ICSDs*. Der Gesamtnennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen entspricht dem jeweils in den Registern beider ICSDs eingetragenen Gesamtbetrag. Die Register der ICSDs (unter denen man die Register versteht, die jeder ICSD für seine Kunden über den Betrag ihres Anteils an den Schuldverschreibungen führt) sind maßgeblicher Nachweis über den Gesamtnennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen, und eine zu diesen Zwecken von einem ICSD jeweils ausgestellte Bescheinigung mit dem Betrag der so verbrieften Schuldverschreibungen ist ein maßgeblicher Nachweis über den Inhalt des Registers des jeweiligen ICSD zu diesem Zeitpunkt.

Bei Rückzahlung oder Zahlung einer Zinszahlung bezüglich der durch die Globalurkunde verbrieften Schuldverschreibungen bzw. bei Kauf und Entwertung der durch die Globalurkunde verbrieften Schuldverschreibungen stellt die Emittentin sicher, dass die Einzelheiten über Rückzahlung und Zahlung bzw. Kauf und Löschung bezüglich der Globalurkunde *pro rata* in die Unterlagen der ICSDs eingetragen werden, und dass, nach dieser Eintragung, vom Gesamtnennbetrag der in die Register der ICSDs aufgenommenen und durch die Globalurkunde verbrieften Schuldverschreibungen der Gesamtbetrag der zurückgekauften bzw. gekauften und entwerteten Schuldverschreibungen abgezogen wird.

**[falls die vorläufige Globalurkunde eine NGN ist, einfügen:** Bei Austausch eines Anteils von ausschließlich durch eine vorläufige Globalurkunde verbriefter Schuldverschreibungen wird die Emittentin sicherstellen, dass die Einzelheiten dieses Austauschs *pro rata* in die Aufzeichnungen der ICSDs aufgenommen werden.**]]**

**[**(7)**]** *Definitionen*. Für die Zwecke dieser Anleihebedingungen bedeutet:

"**Clearingsystem**" **[**jeweils**]** **[**Clearstream Banking AG, Frankfurt am Main ("**CBF**")**]** **[**Euroclear Bank SA/NV ("**Euroclear**")**][,]** **[**und**]** **[**Clearstream Banking, société anonyme, Luxembourg ("**CBL**")**]** **[**(CBL und Euroclear jeweils ein "**ICSD**" und zusammen die "**ICSDs**")**][,]** **[**und**]** **[ggf. weitere Clearingsysteme angeben]**.

"**Gläubiger**" in Bezug auf die bei einem Clearingsystem oder einem sonstigen zentralen Wertpapierverwahrer hinterlegten Schuldverschreibungen der Inhaber eines proportionalen Miteigentumsanteils oder eines anderen Rechts an den hinterlegten Schuldverschreibungen, und andernfalls der Inhaber einer Schuldverschreibung.

"**Zahlstelle**" die Emissionsstelle in ihrer Eigenschaft als Hauptzahlstelle handelnd durch ihre nachstehend in § 7 bezeichnete Geschäftsstelle, die weitere**[**n**]** in § 7 angegebenen Zahlstelle**[**n**]** oder jede nach § 7 ernannte Ersatzzahlstelle oder weitere Zahlstelle.

Bezugnahmen in diesen Bedingungen auf die "**Schuldverschreibungen**" beziehen sich auf die Schuldverschreibungen dieser Serie und schließen, wenn der Zusammenhang dies erfordert, Globalurkunden ein.

Bezugnahmen in diesen Bedingungen auf die "**Festgelegte Währung**" schließen jede durch die geltenden Gesetze des Ursprungslandes der Festgelegten Währung oder durch eine zwischenstaatliche Vereinbarung oder Vertrag festgelegte nachfolgende Währung ein (eine "**Nachfolge-Währung**"), vorausgesetzt dass Zahlungen in der ursprünglichen Währung nicht mehr als zulässiges Zahlungsmittel für Zahlungen der Emittentin hinsichtlich der Schuldverschreibungen **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen, einfügen:** bzw. für Zahlungen der Garantin hinsichtlich der Garantie**]** gelten.

## § 2
## STATUS

Die Schuldverschreibungen begründen nicht besicherte und nicht nachrangige Verbindlichkeiten der Emittentin, die untereinander gleichrangig und ohne Vorzugsrecht und mit allen anderen nicht besicherten und nicht nachrangigen Verbindlichkeiten der Emittentin gleichrangig sind, soweit gesetzliche Vorschriften nicht etwas anderes vorsehen.

## § 3
## ZINSEN

**Bei festverzinslichen Schuldverschreibungen, die keine Nullkupon-Schuldverschreibungen sind, einfügen:**

**[**(1) *Zinssatz und Zinszahlungstage*.

**[Im Fall von festverzinslichen Schuldverschreibungen mit einem gleichbleibenden Zinssatz einfügen:** Die Schuldverschreibungen werden in Höhe ihres Gesamtnennbetrages verzinst, und zwar vom **[Verzinsungsbeginn einfügen]** (einschließlich) (der "**Verzinsungsbeginn**") bis zum Fälligkeitstag (wie in § 4 definiert) (ausschließlich) mit jährlich **[Festzinssatz einfügen]**%.

**[Im Fall von festverzinslichen Schuldverschreibungen mit verschiedenen angegebenen festen Zinssätzen für bestimmte Zinsperioden (Stufenzins) einfügen:** Die Schuldverschreibungen werden in Höhe ihres Gesamtnennbetrages wie folgt verzinst:

| von (einschließlich) | von (ausschließlich) | in % p.a. |
|---|---|---|
| **[Daten einfügen]** | **[Daten einfügen]** | **[Zinssätze einfügen]** |

Die Zinsen sind nachträglich **[**jährlich**] [**halbjährlich**] [**quartalsweise**] [**monatlich**]** am **[Festzinstermin(e) einfügen]** zahlbar (jeweils ein "**Zinszahlungstag**"). Die erste Zinszahlung erfolgt am **[ersten Zinszahlungstag einfügen] [sofern der erste Zinszahlungstag nicht der erste Jahrestag des Verzinsungsbeginns ist, einfügen:** und beläuft sich auf **[Anfänglichen Bruchteilzinsbetrag pro Festgelegte Stückelung einfügen]** pro Festgelegte Stückelung.**] [sofern der Fälligkeitstag kein Festzinstermin ist einfügen:** Die Zinsen für den Zeitraum vom **[den letzten dem Fälligkeitstag vorausgehenden Festzinstermin einfügen]** (einschließlich) bis zum Fälligkeitstag (ausschließlich) belaufen sich auf **[den abschließenden Bruchteilzinsbetrag/die abschließenden Bruchteilzinsbeträge einfügen].] [Falls Actual/Actual (ICMA) anwendbar ist, einfügen:** Die Anzahl der Zinszahlungstage im Kalenderjahr (jeweils ein "**Feststellungstermin**") beträgt **[Anzahl der regulären Zinszahlungstage im Kalenderjahr einfügen]**.**]**

(2) *Auflaufende Zinsen*. Falls die Emittentin die Schuldverschreibungen bei

Fälligkeit nicht einlöst, fallen auf den ausstehenden Gesamtnennbetrag der Schuldverschreibungen vom Tag der Fälligkeit an bis zur tatsächlichen Rückzahlung Zinsen an, aber nicht länger als bis zum vierzehnten Tag nach der Bekanntmachung durch die Emissionsstelle gemäß § **[**15**]**, dass ihr die für die Rückzahlung der Schuldverschreibungen erforderlichen Mittel zur Verfügung gestellt worden sind. Der maßgebliche Zinssatz entspricht dem gesetzlich festgelegten Satz für Verzugszinsen[3].

(3) *Berechnung der Zinsen für Teile von Zeiträumen*. Sofern Zinsen für einen Zeitraum von weniger oder mehr als einem Jahr zu berechnen sind, erfolgt die Berechnung auf der Grundlage des Zinstagequotienten (wie nachstehend definiert).**]**

**Im Falle von Nullkupon-Schuldverschreibungen einfügen:**

**[**(1) *Keine periodische Zinszahlungen*. Es erfolgen keine periodischen Zinszahlungen auf die Schuldverschreibungen.

(2) *Auflaufende Zinsen*. Sollte die Emittentin die Schuldverschreibungen bei Fälligkeit nicht einlösen, fallen auf den ausstehenden Gesamtnennbetrag der Schuldverschreibungen ab dem Fälligkeitstag bis zum Tag der tatsächlichen Rückzahlung Zinsen in Höhe von **[Emissionsrendite einfügen]** (die "**Emissionsrendite**") an, aber nicht länger als bis zum vierzehnten Tag nach der Bekanntmachung durch die Emissionsstelle gemäß § **[**15**]**, dass ihr die für die Rückzahlung der Schuldverschreibungen erforderlichen Mittel zur Verfügung gestellt worden sind.**]**

**[([●])]** *Zinstagequotient.* "**Zinstagequotient**" bezeichnet bezüglich der Berechnung des Zinsbetrages auf eine Schuldverschreibung für einen beliebigen Zeitraum (der "**Zinsberechnungszeitraum**"):

**Im Fall von Actual/Actual (ISDA) einfügen:**

**[**die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum, dividiert durch 365 (oder, falls ein Teil dieses Zinsberechnungszeitraums in ein Schaltjahr fällt, die Summe aus (A) der tatsächlichen Anzahl der in das Schaltjahr fallenden Tage des Zinsberechnungszeitraums dividiert durch 366 und (B) der tatsächlichen Anzahl der nicht in das Schaltjahr fallenden Tage des Zinsberechnungszeitraums dividiert durch 365).**]**

**Im Fall von Actual/Actual (ICMA) einfügen:**

**[**1. Wenn der Zinsberechnungszeitraum (einschließlich des ersten, aber ausschließlich des letzten Tages dieser Periode) kürzer ist als die Feststellungsperiode, in die das Ende des Zinsberechnungszeitraums fällt oder ihr entspricht, die Anzahl der Tage in dem betreffenden Zinsberechnungszeitraum (einschließlich des ersten aber ausschließlich des letzten Tages dieser Periode) geteilt durch das Produkt (1) der Anzahl der Tage in der Feststellungsperiode und (2) der Anzahl der Zinszahlungstage, die in ein Kalenderjahr fallen oder fallen würden, falls Zinsen für das gesamte betreffende Jahr zu zahlen wären; oder

2. wenn der Zinsberechnungszeitraum (einschließlich des ersten, aber ausschließlich des letzten Tages dieser Periode) länger ist als die Feststellungsperiode, in die das Ende des Zinsberechnungszeitraums fällt, die Summe (A) der Anzahl der Tage in dem Zinsberechnungszeitraum, die in die Feststellungsperiode fallen, in welcher der Zinsberechnungszeitraum beginnt, geteilt durch das Produkt (1) der Anzahl der Tage in dieser Feststellungsperiode und (2) der Anzahl der Zinszahlungstage, die in ein Kalenderjahr fallen oder fallen würden, falls Zinsen für das gesamte betreffende Jahr zu zahlen wären und (B) der Anzahl der Tage in dem Zinsberechnungszeitraum, die in die nächste Feststellungsperiode fallen, geteilt durch das Produkt (1) der Anzahl der Tage in dieser Feststellungsperiode und (2) der Anzahl der Zinszahlungstage, die in ein Kalenderjahr fallen oder fallen würden, falls Zinsen für das

[3] Der gesetzliche Verzugszinssatz beträgt für das Jahr fünf Prozentpunkte über dem von der Deutsche Bundesbank von Zeit zu Zeit veröffentlichten Basiszinssatz, §§ 288 Absatz 1, 247 BGB.

gesamte betreffende Jahr zu zahlen wären.

"**Feststellungsperiode**" bezeichnet den Zeitraum ab dem Verzinsungsbeginn (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) oder von jedem Zinszahlungstag (einschließlich) bis zum nächsten Zinszahlungstag (ausschließlich). **[im Falle eines ersten oder letzten kurzen Zinsberechnungszeitraums einfügen**: Zum Zwecke der Bestimmung der maßgeblichen Feststellungsperiode gilt der **[Fiktiven Verzinsungsbeginn oder Fiktiven Zinszahlungstag einfügen]** als **[**Verzinsungsbeginn**][**Zinszahlungstag**].] [Im Falle eines ersten oder letzten langen Zinsberechnungszeitraums einfügen**: Zum Zwecke der Bestimmung der maßgeblichen Feststellungsperiode gelten **[**der**] [Fiktiven Verzinsungsbeginn oder Fiktive(n) Zinszahlungstag(e) einfügen] [**jeweils**]** als **[**Verzinsungsbeginn**][**Zinszahlungstag**[**e**]].]]**

**Im Fall von Actual/365 (Fixed) einfügen:** **[**die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 365.**]**

**Im Fall von Actual/360 einfügen:** **[**die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 360.**]**

**Im Fall von 30/360, 360/360 oder Bond Basis einfügen:** **[**die Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 360, wobei die Anzahl der Tage auf der Grundlage eines Jahres von 360 Tagen mit zwölf Monaten zu je 30 Tagen zu ermitteln ist (es sei denn, (A) der letzte Tag des Zinsberechnungszeitraumes fällt auf den 31. Tag eines Monates, während der erste Tag des Zinsberechnungszeitraumes weder auf den 30. Noch den 31. Tag eines Monats fällt, wobei in diesem Fall der diesen letzten Tag enthaltende Monat nicht als ein auf 30 Tage gekürzter Monat zu behandeln ist, oder (B) der letzte Tag des Zinsberechnungszeitraumes fällt auf den letzten Tag des Monats Februar, wobei in diesem Fall der Monat Februar nicht als ein auf 30 Tage verlängerter Monat zu behandeln ist).**]**

**Im Fall von 30E/360 oder Eurobond Basis einfügen:** **[**die Anzahl der Tage im Zinsberechnungszeitraum dividiert durch 360 (dabei ist die Anzahl der Tage auf der Grundlage eines Jahres von 360 Tagen mit 12 Monaten zu je 30 Tagen zu ermitteln, und zwar ohne Berücksichtigung des ersten oder letzten Tages des Zinsberechnungszeitraumes, es sei denn, dass im Falle eines am Fälligkeitstag endenden Zinsberechnungszeitraums der Fälligkeitstag der letzte Tag des Monats Februar ist, in welchem Fall der Monat Februar als nicht auf einen Monat zu 30 Tagen verlängert gilt).**]**

## § 4
## RÜCKZAHLUNG

Soweit nicht zuvor bereits ganz oder teilweise zurückgezahlt oder angekauft und entwertet, werden die Schuldverschreibungen zu ihrem Rückzahlungsbetrag am **[Fälligkeitstag einfügen]** (der "**Fälligkeitstag**") zurückgezahlt. Der Rückzahlungsbetrag in Bezug auf die Schuldverschreibungen beträgt **[Rückzahlungsbetrag einfügen]** [4] pro Festgelegter Stückelung**.**

## § 5
## VORZEITIGE RÜCKZAHLUNG

(1) *Vorzeitige Rückzahlung aus Steuergründen.* Falls die Emittentin **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** oder die Garantin**]** als Folge einer Ergänzung oder Änderung der Steuer- und Abgabengesetze und –vorschriften **[bei von Volkswagen Financial Services N.V. begebenen Schuldverschreibungen einfügen:** der Niederlande oder **[bei von Volkswagen Financial Services Japan Ltd. begebenen**

[4] Der Rückzahlungsbetrag soll mindestens dem Nennbetrag entsprechen.

**Schuldverschreibungen einfügen:** Japan oder**]** **[bei von Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** dem Commonwealth von Australien oder**]** der Bundesrepublik Deutschland oder deren politischen Untergliederungen oder Steuerbehörden oder als Folge einer Ergänzung oder Änderung der Anwendung oder der offiziellen Auslegung dieser Gesetze und Vorschriften, und diese Ergänzung oder Änderung am oder nach dem **[Ausgabetag einfügen]** wirksam werden, zur Zahlung von Zusätzlichen Beträgen (wie in § 8 dieser Anleihebedingungen **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** bzw. in der Garantie**]** definiert) **[bei festverzinslichen Schuldverschreibungen außer Nullkupon- Schuldverschreibungen einfügen:** an dem nächstfolgenden Zinszahlungstag (wie in § 3(1) definiert)**]** **[bei Nullkupon- Schuldverschreibungen einfügen:** bei Fälligkeit oder bei Verkauf oder Austausch einer Schuldverschreibung**]** verpflichtet ist und diese Verpflichtung nicht durch das Ergreifen vernünftiger der Emittentin **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** oder der Garantin**]** zur Verfügung stehender Maßnahmen vermieden werden kann, können die Schuldverschreibungen insgesamt, jedoch nicht teilweise, nach Wahl der Emittentin mit einer Kündigungsfrist von nicht weniger als 30 und nicht mehr als 60 Tagen gekündigt und zum vorgesehenen Vorzeitigen Rückzahlungsbetrag (wie nachstehend definiert) zuzüglich bis zum für die Rückzahlung festgesetzten Tag aufgelaufener Zinsen zurückgezahlt werden.

Eine solche Kündigung darf allerdings (i) nicht früher als 90 Tage vor dem frühestmöglichen Termin erfolgen, an dem die Emittentin **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** oder die Garantin**]** verpflichtet wäre, solche Zusätzlichen Beträge zu zahlen oder solche Abzüge oder Einbehalte in Bezug auf die fälligen Schuldverschreibungen vorzunehmen, und (ii) zu dem Zeitpunkt, zu dem die Kündigung erfolgt, muss die Verpflichtung zur Zahlung von Zusätzlichen Beträgen oder zur Vornahme der genannten Abzüge oder Einbehalte noch wirksam sein.

Eine solche Kündigung hat gemäß § **[**15**]** zu erfolgen. Sie ist unwiderruflich, muss den für die Rückzahlung festgelegten Termin nennen und eine zusammenfassende Erklärung enthalten, welche die das Rückzahlungsrecht der Emittentin begründenden Umstände (der "**Kündigungsgrund**") darlegt; des weiteren ist eine Bescheinigung darüber beizufügen, dass es der Emittentin **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** bzw., soweit sich der Kündigungsgrund auf nicht vermeidbare Zahlungen in Bezug auf die Garantie bezieht, der Garantin**]** nach ihrem Ermessen nicht möglich ist, durch die Ergreifung angemessener, ihr zur Verfügung stehender Maßnahmen das Eintreten oder das Fortbestehen des Kündigungsgrundes zu vermeiden.

**Falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen vorzeitig zurückzuzahlen, einfügen:**

**[[**(2)**]** *Vorzeitige Rückzahlung nach Wahl der Emittentin.*

(a) Die Emittentin kann, nachdem sie gemäß Unterabsatz (b) gekündigt hat, alle Schuldverschreibungen oder einen Teil derselben am/an den Wahl- Rückzahlungstag(en) (Call) oder jederzeit danach bis zum jeweils nachfolgenden Wahl-Rückzahlungstag (ausschließlich) zum/zu den jeweiligen Wahl- Rückzahlungsbetrag bzw. –beträgen (Call), wie nachstehend angegeben, nebst etwaigen bis zum jeweiligen Wahl-Rückzahlungstag (Call) (ausschließlich)

aufgelaufenen Zinsen zurückzahlen. **[bei Geltung eines Mindestrückzahlungsbetrages oder eines erhöhten Rückzahlungsbetrages einfügen:** Eine solche Rückzahlung muss in Höhe eines Nennbetrages von **[**mindestens **[Mindestrückzahlungsbetrag einfügen]] [erhöhten Rückzahlungsbetrag einfügen]** erfolgen**].]**

| Wahl-Rückzahlungstag(e) (Call) **[Wahl-Rückzahlungstag(e) einfügen]** | Wahl-Rückzahlungsbetrag/-beträge (Call) **[Wahl-Rückzahlungsbeträge einfügen]** |
|---|---|
| **[**_____**]** | **[**_____**]** |
| **[**_____**]** | **[**_____**]** |

**[falls der Gläubiger ein Wahlrecht hat, die Schuldverschreibungen vorzeitig zu kündigen, einfügen:** Der Emittentin steht dieses Wahlrecht nicht in Bezug auf eine Schuldverschreibung zu, deren Rückzahlung bereits der Gläubiger in Ausübung seines Wahlrechts nach § 5 Absatz **[**(4)**]** verlangt hat.**]**

(b) Die Kündigung ist den Gläubigern durch die Emittentin gemäß § **[**15**]** bekannt zu geben. Sie beinhaltet die folgenden Angaben:

(i) die Serie von Schuldverschreibungen, die Gegenstand der Rückzahlung ist;

(ii) ob diese Serie ganz oder teilweise zurückgezahlt wird und im letzteren Fall den Gesamtnennbetrag der zurückzuzahlenden Schuldverschreibungen;

(iii) den Wahl-Rückzahlungstag (Call), der nicht weniger als **[Mindestkündigungsfrist gegenüber den Gläubigern einfügen]** und nicht mehr als **[Höchstkündigungsfrist gegenüber den Gläubigern einfügen]** Tage nach dem Tag der Kündigung gegenüber den Gläubigern liegen darf; und

(iv) den Wahl-Rückzahlungsbetrag (Call), zu dem die Schuldverschreibungen zurückgezahlt werden.

**[im Falle von durch eine Dauerglobalurkunde verbrieften Schuldverschreibungen einfügen:** Die durch eine Dauerglobalurkunde verbrieften Schuldverschreibungen werden in Übereinstimmung mit den Regeln des betreffenden Clearingsystems ausgewählt. **[Falls die Schuldverschreibungen in Form einer NGN begeben werden, einfügen:** Die teilweise Rückzahlung wird in den Registern von CBL und Euroclear nach deren Ermessen entweder als Pool-Faktor oder als Reduzierung des Gesamtnennbetrags wiedergegeben.**]]]**

**Falls der Gläubiger ein Wahlrecht hat, die Schuldverschreibungen vorzeitig zu kündigen, einfügen:**

**[[**(3)**]** *Vorzeitige Rückzahlung nach Wahl des Gläubigers*.

(a) Die Emittentin hat eine Schuldverschreibung nach Ausübung des entsprechenden Wahlrechts durch den Gläubiger am/an den Wahl-Rückzahlungstag(en) (Put) zum/zu den Wahl-Rückzahlungsbetrag/-beträgen (Put) nebst etwaigen bis zum Wahl-Rückzahlungstag (Put) (ausschließlich) aufgelaufenen Zinsen zurückzuzahlen.

| Wahl-Rückzahlungstag(e) (Put) **[Wahl-Rückzahlungstag(e) einfügen]** | Wahl-Rückzahlungsbetrag/-beträge (Put) **[Wahl-Rückzahlungs(betrag) bzw. Wahl-Rückzahlungsbeträge einfügen]** |
|---|---|
| **[ ]** | **[ ]** |
| **[ ]** | **[ ]** |

Dem Gläubiger steht dieses Wahlrecht nicht in Bezug auf eine

Schuldverschreibung zu, deren Rückzahlung bereits die Emittentin in Ausübung ihres Wahlrechts nach § 5 verlangt hat.

(b) Um dieses Wahlrecht auszuüben, hat der Gläubiger nicht weniger als **[Mindestkündigungsfrist gegenüber der Emittentin einfügen]** Tage und nicht mehr als **[Höchstkündigungsfrist gegenüber der Emittentin einfügen]** Tage vor dem Wahl-Rückzahlungstag (Put), an dem die Rückzahlung gemäß der Ausübungserklärung (wie nachstehend definiert) erfolgen soll, an die bezeichnete Geschäftsstelle einer Zahlstelle eine Mitteilung in Textform (z.B. eMail oder Fax) oder schriftlich zur vorzeitigen Rückzahlung ("**Ausübungserklärung**") zu schicken, wie sie bei der bezeichneten Geschäftsstelle einer Zahlstelle erhältlich ist. Eine Ausübung des Wahlrechts kann nicht widerrufen werden.**]**

**[**(4)**]** *Vorzeitiger Rückzahlungsbetrag.*

**Bei Schuldverschreibungen, die keine Nullkupon-Schuldverschreibungen sind, einfügen:**

**[**Für die Zwecke von Absatz 1 des § 5 und § 9 ist der Vorzeitige Rückzahlungsbetrag **[**der Rückzahlungsbetrag**] [anderen Vorzeitigen Rückzahlungsbetrag einfügen]**.**]**

**Bei Nullkupon-Schuldverschreibungen einfügen:**

**[**(a) Für die Zwecke von Absatz 1 des § 5 und § 9 ist der Vorzeitige Rückzahlungsbetrag der Amortisationsbetrag der Schuldverschreibung.

(b) Der Amortisationsbetrag entspricht der Summe aus:

(i) **[Referenz-Preis einfügen]** (der "**Referenzpreis**"), und

(ii) dem Produkt aus der Emissionsrendite (wie in § 3 definiert) (jährlich kapitalisiert) und dem Referenzpreis ab **[Ausgabetag einfügen]** (einschließlich) bis zu dem vorgesehenen Rückzahlungstag (ausschließlich) oder (je nachdem) dem Termin, an dem die Schuldverschreibungen fällig und rückzahlbar werden.

Wenn diese Berechnung für einen Zeitraum, der nicht vollen Jahren entspricht, durchzuführen ist, hat sie im Falle des nicht vollständigen Jahres (der "**Zinsberechnungszeitraum**") auf der Grundlage des Zinstagequotienten (wie vorstehend in § 3 definiert) zu erfolgen.

(c) Falls die Emittentin den Vorzeitigen Rückzahlungsbetrag bei Fälligkeit nicht zahlt, wird der Amortisationsbetrag einer Schuldverschreibung, wie vorstehend beschrieben, berechnet, jedoch mit der Maßgabe, dass die Bezugnahmen in Unterabsatz (b)(ii) auf den für die Rückzahlung vorgesehenen Rückzahlungstag oder den Tag, an dem diese Schuldverschreibungen fällig und rückzahlbar werden, durch den früheren der nachstehenden Zeitpunkte ersetzt werden: (i) der Tag, an dem die Zahlung gegen ordnungsgemäße Vorlage und Einreichung der betreffenden Schuldverschreibung (sofern erforderlich) erfolgt, und (ii) der vierzehnte Tag, nachdem die Emissionsstelle gemäß § **[**15**]** mitgeteilt hat, dass ihr die für die Rückzahlung erforderlichen Mittel zur Verfügung gestellt wurden.**]**

## § 6
## ZAHLUNGEN

(1) (a) *Zahlung auf Kapital.*

Zahlungen auf Kapital in Bezug auf Schuldverschreibungen erfolgen nach Maßgabe des nachstehenden Absatzes 2 an das Clearingsystem oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearingsystems gegen Vorlage und Einreichung der Globalurkunde bei der bezeichneten Geschäftsstelle einer der Zahlstellen außerhalb der Vereinigten Staaten.

**Im Falle von festverzinslichen Schuldverschreibungen, die keine Nullkupon-Schuldverschreibungen sind, einfügen:**

**[**(b) *Zahlung von Zinsen*. Die Zahlung von Zinsen auf durch eine Dauerglobalurkunde verbriefte Schuldverschreibungen erfolgt nach Maßgabe des nachstehenden Absatzes 2 an das Clearingsystem oder dessen Order zur Gutschrift für die betreffenden Kontoinhaber des Clearingsystems. Zinszahlungen erfolgen nur außerhalb der Vereinigten Staaten.

**[im Falle von auf eine vorläufige Globalurkunde zahlbare Zinsen einfügen:** Die Zahlung von Zinsen auf durch eine vorläufige Globalurkunde verbriefte Schuldverschreibungen erfolgt nach Maßgabe des nachstehenden Absatzes 2 an das Clearingsystem oder dessen Order zur Gutschrift für die betreffenden Kontoinhaber des Clearingsystems nach ordnungsgemäßer Bescheinigung gemäß § 1 (3) (b).**]]**

(2) *Zahlungsweise.* Vorbehaltlich geltender steuerlicher und sonstiger gesetzlicher Regelungen und Vorschriften erfolgen zu leistende Zahlungen auf Schuldverschreibungen in der Festgelegten Währung.

(3) *Vereinigte Staaten.* Für die Zwecke des **[im Fall von Schuldverschreibungen, die anfänglich durch eine vorläufige Globalurkunde verbrieft sind, einfügen:** § 1 (3) und des**]** Absatzes (1) dieses § 6 bezeichnet "**Vereinigte Staaten**" die Vereinigten Staaten von Amerika (einschließlich deren Bundesstaaten und des District of Columbia) sowie deren Territorien (einschließlich Puerto Rico, die U.S. Virgin Islands, Guam, American Samoa, Wake Island und die Northern Mariana Islands).

(4) *Befreiung*. Die Emittentin **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** bzw. die Garantin**]** wird durch Leistung der Zahlung an das Clearingsystem oder dessen Order von ihrer Zahlungspflicht befreit.

(5) *Zahltag*. Fällt der Fälligkeitstag einer Zahlung in Bezug auf eine Schuldverschreibung auf einen Tag, der kein Zahltag ist, so ist der Gläubiger erst an dem nächstfolgenden Zahltag berechtigt, die Zahlung an diesem Ort zu verlangen und ist nicht berechtigt, weitere Zinsen oder sonstige Ausgleichszahlungen aufgrund dieser Verspätung zu verlangen.

Für diese Zwecke bezeichnet "**Zahltag**" einen Tag (außer einem Samstag oder Sonntag), (i) an dem das Clearingsystem Zahlungen abwickelt**[**,**]** **[**und**]** **[**(ii)**]** **[falls Relevante Finanzzentren anwendbar sind, einfügen:** an dem Geschäftsbanken und Devisenmärkte Zahlungen in **[**London**]** **[alle Relevanten Finanzzentren einfügen]** abwickeln**]** **[**und**]** **[**(iii)**]** **[falls TARGET anwendbar ist, einfügen:** an dem alle betroffenen Bereiche des Trans-European Automated Real-time Gross settlement Express Transfer systems 2 ("**TARGET2**") offen sind, um Zahlungen abzuwickeln**]**.

**Im Falle von Türkischen Lira als die Festgelegte Währung, einfügen:**

**[**(6) *Zahlung des Gegenwerts in U.S.-Dollar*. Für den Fall, dass die Emittentin ungeachtet des Vorstehenden aus irgendwelchen Gründen nicht in der Lage ist, unter den Schuldverschreibungen fällige Kapitalbeträge oder Zinsen (ganz oder teilweise) in Türkischen Lira zu zahlen, wird die Emittentin nach Versendung einer unwiderruflichen Mitteilung frühestens 30 Kalendertage und spätestens fünf Kalendertage vor dem Tag, an dem die Zahlung an die Gläubiger fällig wird, eine solche Zahlung am Fälligkeitstag (ganz oder teilweise) in U.S.-Dollar zum Gegenwert in U.S.-Dollar des auf Türkische Lira lautenden Betrags tätigen. Sofern die Emittentin Zahlungen von Kapital oder Zinsen teilweise in Türkischen Lira und teilweise in U.S.-Dollar zu tätigen hat, wird sie die Zahlungen an jeden Gläubiger soweit wie möglich im gleichen anteiligen Verhältnis zwischen Türkischen Lira und U.S.-Dollar gemäß den jeweils geltenden Vorschriften des Clearingsystems tätigen.

Für die Zwecke dieser Bedingungen steht der Begriff **"Gegenwert in U.S.-Dollar"** für den auf der Grundlage des an dem betreffenden Kassakurs-Bestimmungstag geltenden Kassakurses in U.S.-Dollar konvertierten Betrag in Türkische Lira.

"**Berechnungsstelle**" bedeutet die **[**Emissionsstelle in ihrer Eigenschaft als Hauptzahlstelle handelnd durch ihre nachstehend in § 7 bezeichnete Geschäftsstelle**][**die in § 7 angegebene Berechnungsstelle**]** oder jede nach § 7 ernannte Ersatzberechnungsstelle oder weitere Berechnungsstelle.

"**Geschäftstag zu Bestimmungszwecken"** bedeutet ein Tag (außer Samstag und Sonntag), an dem die Geschäftsbanken in London, New York City, TARGET und Istanbul für den üblichen Geschäftsbetrieb (einschließlich Devisengeschäfte) geöffnet sind.

**"Kassakurs**-**Bestimmungstag"** bedeutet ein Tag, der drei Geschäftstage zu Bestimmungszwecken vor dem Tag liegt, an dem Zahlungen des betreffenden Betrags gemäß diesen Anleihebedingungen fällig sind;

"**Kassakurs**" (*Spot Rate*) bedeutet der Türkische Lira (TRY) / U.S.-Dollar Wechselkurs (USD) (ausgedrückt in einem Betrag in TRY pro einer Einheit USD), welchen die Berechnungsstelle unter Heranziehung der Reuters Bildschirmseite **"Europe Spots"** (RIC:EFX=) (oder der jeweiligen Nachfolge- oder Ersetzungsanbieter bzw. Nachfolge- oder Ersetzungsseite) um ca. 11.00 Uhr (Istanbuler Zeit) am Kassakurs-Bestimmungstag bestimmt.
Sofern ein solcher Kurs nicht verfügbar ist, wird die Berechnungsstelle den Kassakurs um ca. 11 Uhr (Istanbuler Zeit) anhand des Kassakurs-Bestimmungstag am aktuellsten verfügbaren offiziellen TRY / USD Wechselkurs unter Heranziehung dieser Bildschirmseite bestimmen.

Sämtliche Mitteilungen, Stellungnahmen, Bestimmungen, Bescheinigungen, Berechnungen, Quotierungen oder Entscheidungen, die von der Berechnungsstelle zum Zwecke der Bestimmungen dieses Absatzes gemacht oder getroffen werden, sind (sofern kein Vorsatz, keine Arglist und kein offensichtlicher Irrtum vorliegt) für die Emittentin, die beauftragten Stellen sowie für alle Gläubiger bindend.**]**

(**[**7**]**) *Bezugnahmen auf Zahlungen von Kapital und Zinsen*. Bezugnahmen in diesen Anleihebedingungen auf Kapital der Schuldverschreibungen sollen, soweit anwendbar, folgende Beträge beinhalten: den Rückzahlungsbetrag der Schuldverschreibungen; den Vorzeitigen Rückzahlungsbetrag der Schuldverschreibungen; **[falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen aus anderen als steuerlichen Gründen vorzeitig zurückzuzahlen, einfügen:** den Wahl-Rückzahlungsbetrag (Call) der Schuldverschreibungen;**] [falls der Gläubiger ein Wahlrecht hat, die Schuldverschreibungen vorzeitig zu kündigen, einfügen:** den Wahl-Rückzahlungsbetrag (Put) der Schuldverschreibungen;**] [im Fall von Nullkupon-Schuldverschreibungen einfügen:** den Amortisationsbetrag;**]** und jeden Aufschlag sowie sonstige auf oder in Bezug auf die Schuldverschreibungen zahlbare Beträge.

Bezugnahmen in diesen Anleihebedingungen auf Zinszahlungen auf Schuldverschreibungen sollen, soweit anwendbar, sämtliche gemäß § 8 zahlbaren Zusätzlichen Beträge einschließen.

(**[**8**]**) *Hinterlegung von Kapital und Zinsen.* Die Emittentin ist berechtigt, beim Amtsgericht Frankfurt am Main Kapital- oder Zinsbeträge zu hinterlegen, die von den Gläubigern nicht innerhalb von zwölf Monaten nach dem Fälligkeitstag beansprucht worden sind, auch wenn die Gläubiger sich nicht in Annahmeverzug befinden. Falls und soweit eine solche Hinterlegung erfolgt, und auf das Recht der Rücknahme verzichtet wird, erlöschen die entsprechenden Ansprüche der Gläubiger gegen die Emittentin.

## § 7
## DIE EMISSIONSSTELLE[,] [UND] DIE ZAHLSTELLE[N] [UND DIE BERECHNUNGSSTELLE]

(1) *Ernennung; Bezeichnete Geschäftsstellen*. Die anfängliche Emissionsstelle **[**,**]** **[**und**]** die anfänglichen Zahlstelle**[**n**]** **[**und die Berechnungsstelle**]** und deren bezeichnete Geschäftsstellen lauten wie folgt:

| | |
|---|---|
| Emissionsstelle und Hauptzahlstelle: | Citibank, N.A.<br>Citigroup Centre<br>Canary Wharf<br>London E14 5LB<br>Vereinigtes Königreich |
| Zahlstelle**[**n**]**: | **[**Citibank Europe plc, Germany Branch<br>Reuterweg 16<br>60323 Frankfurt am Main<br>Bundesrepublik Deutschland**]** |
| | **[weitere Zahlstellen und deren bezeichnete Geschäftsstellen einfügen]** |

**Falls die Emissionsstelle als Berechnungsstelle handelt, einfügen:**

**[**Die Emissionsstelle handelt auch als Berechnungsstelle.**]**

**Falls die Emissionsstelle nicht als Berechnungsstelle handelt, einfügen:**

**[**Berechnungsstelle: **[Name und Geschäftsstelle einfügen]]**

Die Emissionsstelle**[**,**]** **[**und**]** die Zahlstelle**[**n**]** **[**und die Berechnungsstelle**]** behalten sich das Recht vor, jederzeit ihre jeweiligen bezeichneten Geschäftsstellen durch andere bezeichnete Geschäftsstellen in derselben Stadt zu ersetzen:

(2) *Änderung der Bestellung oder Abberufung*. Die Emittentin behält sich das Recht vor, jederzeit die Bestellung der Emissionsstelle oder einer Zahlstelle **[**oder einer Berechnungsstelle**]** zu ändern oder zu beenden und eine andere Emissionsstelle oder zusätzliche oder andere Zahlstellen **[**oder eine andere Berechnungsstelle**]** zu bestellen. Die Emittentin wird jedoch zu jedem Zeitpunkt (i) eine Emissionsstelle unterhalten **[**,**]** **[**und**]** (ii) zusätzlich zu der Emissionsstelle eine Zahlstelle mit einer bezeichneten Geschäftsstelle in einer kontinentaleuropäischen Stadt, **[für an einer Börse notierte Schuldverschreibungen und soweit die Börsenregeln der betreffenden Börse es erfordern, einfügen: [**,**]** **[**und**]** (iii) solange die Schuldverschreibungen an der **[Name der Börse einfügen]** notiert sind, eine Zahlstelle (die die Emissionsstelle sein kann) mit bezeichneter Geschäftsstelle in **[Ort der Börse einfügen]** und/oder an einem anderen von einer anderen Börse hierfür vorgeschriebenen Ort**]** **[falls die Festgelegte Währung U.S. Dollar ist einfügen:** und **[**(iv)**]**, falls Zahlungen bei den oder durch die Geschäftsstellen aller Zahlstellen außerhalb der Vereinigten Staaten (wie in § 6 (3) definiert) aufgrund der Einführung von Devisenbeschränkungen oder ähnlichen Beschränkungen hinsichtlich der vollständigen Zahlung oder des Empfangs der entsprechenden Beträge in US-Dollar widerrechtlich oder tatsächlich ausgeschlossen werden, eine Zahlstelle mit bezeichneter Geschäftsstelle in New York City**]** **[falls die Berechnungsstelle eine bezeichnete Geschäftsstelle an einem vorgeschriebenen Ort haben muss einfügen: [**,**]** **[**und**]** **[**(v)**]** eine Berechnungsstelle mit bezeichneter Geschäftsstelle in **[vorgeschriebenen Ort einfügen]]** unterhalten.

Jede Änderung, Abberufung, Bestellung oder jeder sonstige Wechsel wird nur wirksam (außer im Insolvenzfall, in dem eine solche Änderung sofort wirksam wird), sofern die Gläubiger hierüber gemäß § **[**15**]** vorab unter Einhaltung einer Frist von mindestens 30 und nicht mehr als 45 Tagen informiert wurden.

(3) *Beauftragte der Emittentin.* Die Emissionsstelle**[**,**]** **[**und**]** die Zahlstelle**[**n**]** **[**und die Berechnungsstelle**]** handeln ausschließlich als Beauftragte der Emittentin und übernehmen keinerlei Verpflichtungen gegenüber den Gläubigern und es wird kein Auftrags- oder Treuhandverhältnis zwischen ihnen und den Gläubigern begründet.

## § 8
## BESTEUERUNG

Sämtliche in Bezug auf die Schuldverschreibungen zu zahlenden Beträge sind ohne Einbehalt oder Abzug von oder aufgrund von gegenwärtigen oder zukünftigen Steuern, Abgaben oder amtlichen Gebühren zu leisten, die von oder in **[bei von Volkswagen Financial Services N.V. begebenen Schuldverschreibungen einfügen:** den Niederlanden oder**]** **[bei von Volkswagen Financial Services Japan Ltd. begebenen Schuldverschreibungen einfügen:** Japan oder**]** **[bei von Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** dem Commonwealth von Australien oder**]** der Bundesrepublik Deutschland oder für deren Rechnung oder von oder für Rechnung einer politischen Untergliederung oder Steuerbehörde der oder in **[**den Niederlanden oder**]** **[**Japan oder**]** **[**dem Commonwealth von Australien oder**]** der Bundesrepublik Deutschland oder den Vereinigten Staaten von Amerika oder einer politisch untergeordneten Einheit ("**Quellensteuern**") auferlegt, erhoben oder eingezogen werden, es sei denn, dieser Einbehalt oder Abzug ist gesetzlich vorgeschrieben. In diesem Fall wird die Emittentin, außer in den nachstehend aufgeführten Ausnahmefällen, diejenigen zusätzlichen Beträge (die "**Zusätzlichen Beträge**") zahlen, die erforderlich sind, damit die den Gläubigern auf die Schuldverschreibungen zufließenden Nettobeträge nach diesem Einbehalt oder Abzug jeweils den Beträgen entsprechen, die ohne einen solchen Einbehalt oder Abzug zahlbar wären. Die Verpflichtung zur Zahlung solcher Zusätzlichen Beträge besteht allerdings nicht im Hinblick auf Steuern, Abgaben oder amtliche Gebühren, die:

(1) von einer als Depotbank oder Inkassobeauftragter des Gläubigers handelnden Person oder sonst auf andere Weise zu entrichten sind als dadurch, dass die Emittentin aus den von ihr zu leistenden Zahlungen von Kapital oder Zinsen einen Abzug oder Einbehalt vornimmt; oder

(2) wegen einer Rechtsänderung zu zahlen sind (oder auf Grund einer Änderung der Anwendung oder offiziellen Auslegung eines Gesetzes oder einer Vorschrift), welche später als 30 Tage nach Fälligkeit der betreffenden Zahlung oder, wenn dies später erfolgt, ordnungsgemäßer Bereitstellung aller fälligen Beträge und einer diesbezüglichen Bekanntmachung gemäß § **[**15**]** wirksam wird; oder

(3) von einer Zahlstelle abgezogen oder einbehalten werden, wenn eine andere Zahlstelle die Zahlung ohne einen solchen Einbehalt oder Abzug hätte leisten können; oder

(4) wegen einer gegenwärtigen oder früheren persönlichen oder geschäftlichen Beziehung des Gläubigers zu **[bei von Volkswagen Financial Services N.V. begebenen Schuldverschreibungen einfügen:** den Niederlanden oder**]** **[bei von Volkswagen Financial Services Japan Ltd. begebenen Schuldverschreibungen einfügen:** Japan oder**]** **[bei von Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** dem Commonwealth von Australien oder**]** der Bundesrepublik Deutschland zu zahlen sind und nicht allein aufgrund der Tatsache, dass Zahlungen in Bezug auf die Schuldverschreibungen **[bei von Volkswagen**

**Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** oder aus der Garantie (wie in § 10 definiert)**]** aus **[bei von Volkswagen Financial Services N.V. begebenen Schuldverschreibungen einfügen:** den Niederlanden oder aus**] [bei von Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** dem Commonwealth von Australien oder aus**]** der Bundesrepublik Deutschland stammen oder steuerlich so behandelt werden, oder dort besichert sind; oder

(5) aufgrund (i) einer Richtlinie oder Verordnung der Europäischen Union betreffend die Besteuerung von Zinserträgen oder (ii) einer zwischenstaatlichen Vereinbarung über deren Besteuerung, an der **[im Falle von Schuldverschreibungen, die von Volkswagen Financial Services N.V. begeben werden, einfügen:** die Niederlande oder**] [im Falle von Schuldverschreibungen, die von Volkswagen Financial Services Japan Ltd. begebenen Schuldverschreibungen, einfügen:** Japan oder**] [bei von Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** dem Commonwealth von Australien oder**]** die Bundesrepublik Deutschland oder die Europäische Union beteiligt ist, oder (iii) einer gesetzlichen Vorschrift, die diese Richtlinie, Verordnung oder Vereinbarung umsetzt oder befolgt, abzuziehen oder einzubehalten sind, oder (iv) der Abschnitte 1471 bis 1474 des U.S. Internal Revenue Codes von 1986, in seiner jeweils gültigen Fassung, und gegenwärtigen oder zukünftigen Regelungen oder seiner offiziellen Auslegungen oder Verträgen unter ihm (einschließlich, ohne Beschränkung, einer jeden zwischenstaatlichen Vereinbarung zwischen den Vereinigten Staaten und einer anderen Jurisdiktion oder gemäß jeder Vereinbarung, gesetzlichen Regelung, Verordnung oder anderen offiziellen Verlautbarungen zur Umsetzung solcher zwischenstaatlicher Vereinbarungen) ("**FATCA**"); **[**oder**]**

(6) nicht zu entrichten wären, wenn die Schuldverschreibungen bei einem Kreditinstitut verwahrt und die Zahlungen von diesem eingezogen worden wären**[**.**][**; oder**]**

**Im Falle von Schuldverschreibungen, die von VWFSJ begeben werden, einfügen:**

**[**(7) in Bezug auf eine Zahlung hinsichtlich durch die VWFSJ begebene Schuldverschreibungen zahlbar sind, bei der der auf die Schuldverschreibung zahlbare Zinsbetrag unter Einbeziehung bestimmter Indikatoren (gemäß der ministeriellen Verordnung zu Artikel 6 Absatz 4 des japanischen Gesetzes über besondere Besteuerungsmaßnahmen (*Special Taxation Measures Law of Japan*) (das "**Japanische Gesetz über besondere Besteuerungsmaßnahmen**")) in Bezug auf VWFSJ oder auf Personen oder Unternehmen, die in einer besonderen Beziehung zur VWFSJ stehen, entsprechend Artikel 6 Absatz 4 des Japanischen Gesetzes über besondere Besteuerungsmaßnahmen (eine "**Person mit besonderer Beziehung zur VWFSJ**"), berechnet wird, es sei denn, der Zinsempfänger ist ein japanisches anerkanntes Finanzinstitut (*designated financial institution*) gemäß Artikel 6 Absatz 9 des Japanischen Gesetzes über besondere Besteuerungsmaßnahmen, das die Anforderungen jenes Absatzes erfüllt hat; oder

(8) gemäß dem Japanischen Gesetz über besondere Besteuerungsmaßnahmen in Bezug auf eine Zahlung hinsichtlich von der VWFSJ begebenen Schuldverschreibungen abgezogen oder einbehalten werden. Zinszahlungen auf die Schuldverschreibungen, die an eine Person mit Wohnsitz in Japan, an eine japanische Gesellschaft (mit Ausnahme (i) eines japanischen anerkannten Finanzinstituts (*designated financial institution*) gemäß Artikel 6 Absatz 9 des Gesetzes über besondere Besteuerungsmaßnahmen, das die Anforderungen jenes Absatzes erfüllt hat und (ii) an eine Kapitalgesellschaft, ein Finanzinstitut oder ein Finanzdienstleistungsunternehmen in Japan gemäß Artikel 3-3 Absatz 6 des Japanischen Gesetzes über besondere

Besteuerungsmaßnahmen, welches die Zinszahlungen durch ihren Zahlungsdienstleisters (*payment handling agent*) erhält und die Voraussetzungen für Steuerausnahmen (*tax exemption*) jenes Absatzes erfüllt) erfolgen sollen oder an eine Person, die keinen Wohnsitz in Japan hat, bzw. eine nicht-japanische Gesellschaft, die in beiden Fällen eine Person mit besonderer Beziehung zur VWFSJ ist, werden abzüglich der japanischen Einkommensteuer in Höhe von 15 Prozent (für den Zeitraum vom 1. Januar 2013 bis zum 31. Dezember 2037 15,315 Prozent) erfolgen.**]**

**Im Falle von Schuldverschreibungen, die von Volkswagen Financial Services Australia Pty Limited begeben werden, einfügen:**

**[**(7) aufgrund der Tatsache zahlbar sind, dass der Gläubiger eine Person ist, die den Abzug oder Einbehalt rechtmäßigerweise dadurch vermeiden könnte (aber nicht vermieden hat), dass er Vorschriften beachtet oder dafür sorgt, dass ein Dritter allen gesetzlichen Voraussetzungen nachkommt oder dadurch, dass er eine Nichtansässigkeitserklärung oder einen ähnlichen Antrag auf Steuerbefreiung gegenüber einer Steuerbehörde am Zahlort abgibt, an dem die jeweilige Schuldverschreibung zur Zahlung vorgelegt wird, oder dafür sorgt, dass ein Dritter dieses unternimmt; oder

(8) aufgrund der Tatsache zahlbar sind, dass der Gläubiger (oder eine Person, die den Gläubiger vertritt) eine Australian Business Number, eine Australian Tax File Number oder Angaben zu einer etwaigen Freistellung von diesen Vorschriften liefert; oder

(9) aufgrund der Tatsache zahlbar sind, dass der Australian Commissioner of Taxation eine Bekanntmachung gemäß § 255 des Australischen Income Tax Assessment Act 1936 oder § 260-5 des Anhang Eins des Australischen Tax Administration Act 1953 veröffentlicht; oder

(10) aufgrund der Tatsache zahlbar sind, dass der Gläubiger, oder eine Person die ein Interesse an den Schuldverschreibungen hat, ein Offshore Associate der Emittentin ist, aber nicht in der Eigenschaft als Clearingstelle, Zahlstelle, Verwahrstelle, Fondsmanager oder zuständige Stelle eines registrierten Systems im Sinne des australischen Corporations Act 2001 handelt. "**Offshore Associate**" meint einen Associate der Emittentin (wie in § 128F (9) des Australischen Income Tax Assessment Act 1936 definiert), der entweder:

(a) nicht in Australien ansässig ist, der die Schuldverschreibungen nicht im Zusammenhang mit der Ausübung einer Geschäftstätigkeit an einer Betriebsstätte oder durch eine Betriebsstätte in Australien erwirbt oder ein Interesse an den Schuldverschreibungen hat, oder

(b) in Australien ansässig ist, der die Schuldverschreibungen im Zusammenhang mit der Ausübung einer Geschäftstätigkeit an einer Betriebsstätte oder durch eine Betriebsstätte außerhalb von Australien erwirbt oder ein Interesse an den Schuldverschreibungen hat.**]**

## § 9
## KÜNDIGUNGSRECHT

(1) *Kündigungsgründe.* Jeder Gläubiger ist berechtigt, seine Schuldverschreibungen zu kündigen und deren sofortige Rückzahlung zum Vorzeitigen Rückzahlungsbetrag (wie in § 5 Absatz **[**4**]** beschrieben) zuzüglich etwaiger aufgelaufener Zinsen bis zum Tag der Rückzahlung zu verlangen, falls:

(a) bezüglich der Schuldverschreibungen zahlbare Beträge nicht innerhalb von 30 Tagen nach dem jeweiligen Fälligkeitstag gezahlt wurden; oder

(b) die Emittentin die Erfüllung irgendeiner anderen Verpflichtung aus den Schuldverschreibungen **[bei von Volkswagen Leasing**

**GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** oder die Garantin die Erfüllung einer Verpflichtung aus der in der Garantie enthaltenen Verpflichtungserklärung (wie in § 10 definiert)**]** unterlässt und die Unterlassung, sofern diese nicht geheilt wurde, länger als 90 Tage fortdauert, nachdem die Emissionsstelle hierüber eine Benachrichtigung von einem Gläubiger erhalten hat; oder

(c) die Emittentin **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** oder die Garantin**]** ihre Zahlungsunfähigkeit bekannt gibt; oder

(d) ein Gericht ein Konkurs- oder sonstiges Insolvenzverfahren gegen die Emittentin **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** oder die Garantin**]** eröffnet, ein solches Verfahren eingeleitet und nicht innerhalb von 60 Tagen aufgehoben oder ausgesetzt worden ist, oder die Emittentin **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** oder die Garantin**]** ein solches Verfahren beantragt oder einleitet **[bei von Volkswagen Financial Services N.V. begebenen Schuldverschreibungen einfügen:** oder die Emittentin ein "*Surseance van Betaling*" (im Sinne der Konkursgesetze der Niederlande ("*Faillissementswet*") beantragt**]**; oder

(e) die Emittentin **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** oder die Garantin**]** in Liquidation tritt, es sei denn, dies geschieht im Zusammenhang mit einer Verschmelzung, Zusammenlegung oder anderen Form des Zusammenschlusses mit einer anderen Gesellschaft und die andere oder neue Gesellschaft übernimmt alle Verpflichtungen, die die Emittentin **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** bzw. die Garantin**]** im Zusammenhang mit dieser Anleihe eingegangen ist**[.] [**; oder**]**

**[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:**

(f) die Garantie erlischt.**]**

(2) *Erlöschen*. Das Kündigungsrecht erlischt, falls der Kündigungsgrund vor Ausübung des Rechts geheilt wurde.

(3) *Mitteilung*. Eine Benachrichtigung einschließlich einer Kündigung hat nach diesem § 9 in Textform (z.B. eMail oder Fax) oder schriftlich in deutscher oder englischer Sprache an die festgelegte Niederlassung der Emissionsstelle zu erfolgen; darin ist der Kapitalbetrag der betreffenden Schuldverschreibungen anzugeben und ein den Anforderungen der Emissionsstelle genügender Nachweis über das Eigentum an den Schuldverschreibungen beizufügen.

## § 10
## NEGATIVVERPFLICHTUNG DER EMITTENTIN [, GARANTIE UND VERPFLICHTUNG DER GARANTIN]

(1) *Negativverpflichtung.* Die Emittentin verpflichtet sich, solange Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen der Emissionsstelle zur Verfügung gestellt worden sind, für andere Schuldverschreibungen oder Anleihen, einschließlich einer dafür übernommenen Garantie oder Gewährleistung, keine Sicherheiten an ihrem Vermögen zu bestellen, ohne gleichzeitig und im gleichen Rang die Gläubiger dieser Schuldverschreibungen an solchen Sicherheiten teilnehmen zu lassen. Zur Vermeidung etwaiger Zweifel, die Verpflichtung in diesem § 10 gilt nicht in Bezug auf Sicherheiten, die in Zusammenhang mit von Tochtergesellschaften der Volkswagen Financial Services AG begebenen *asset-backed-securities* (strukturierte Wertpapiere, die mit Vermögenswerten besichert sind) gestellt werden oder für *asset-backed-securities*, die von einer Zweckgesellschaft begeben werden, bei denen die Emittentin die ursprüngliche Inhaberin der zugrunde liegenden Vermögenswerte ist.

**[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:**

(2) *Garantie.* Volkswagen Financial Services Aktiengesellschaft (die "**Garantin**") hat die unbedingte und unwiderrufliche Garantie (die "**Garantie**") für die ordnungsgemäße Zahlung der Beträge, die Kapital und Zinsen der Schuldverschreibungen entsprechen, übernommen. Darüber hinaus hat sich die Garantin in dieser Garantie verpflichtet (die "**Verpflichtungserklärung**"), solange Schuldverschreibungen ausstehen, jedoch nur bis zum Zeitpunkt, an dem alle Beträge an Kapital und Zinsen der Zahlstelle zur Verfügung gestellt worden sind, für andere Anleiheemissionen, einschließlich dafür übernommener Garantien oder Gewährleistungen, keine Sicherheiten an ihrem Vermögen zu bestellen, ohne gleichzeitig und im gleichen Rang die Gläubiger dieser Schuldverschreibungen an solchen Sicherheiten teilnehmen zu lassen. Zur Vermeidung etwaiger Zweifel, die Verpflichtungserklärung in diesem § 10 gilt nicht in Bezug auf Sicherheiten, die in Zusammenhang mit von einer Tochtergesellschaft der Garantin begebenen *asset-backed-securities* (strukturierte Wertpapiere, die mit Vermögenswerten besichert sind) gestellt werden oder für *asset-backed-securities*, die von einer Zweckgesellschaft begeben werden, bei denen eine Tochtergesellschaft der Garantin die ursprüngliche Inhaberin der zugrunde liegenden Vermögenswerte ist.

Die Garantie stellt einen Vertrag zu Gunsten eines jeden Gläubigers als begünstigtem Dritten gemäß § 328 Absatz (1) BGB dar, welcher das Recht eines jeden Gläubigers begründet, Erfüllung aus der Garantie unmittelbar von der Garantin zu verlangen und die Garantie unmittelbar gegenüber der Garantin durchzusetzen. Kopien der Garantie können kostenlos am Sitz der Garantin und bei der bezeichneten Geschäftsstelle der Emissionsstelle gemäß § 7 bezogen werden.

"**Anleiheemission**" ist eine Emission von Schuldverschreibungen, die an einer Wertpapierbörse, im Freiverkehr oder an einem anderen Wertpapiermarkt notiert, eingeführt oder gehandelt werden bzw. notiert, eingeführt oder gehandelt werden sollen oder können.

## § 11
## ERSETZUNG DER EMITTENTIN

(1) *Ersetzung.* Die Emittentin ist jederzeit berechtigt, ohne Zustimmung der Gläubiger, **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** entweder die

Garantin oder**]** eine andere Gesellschaft, deren stimmberechtigte Aktien oder andere Anteilsrechte direkt oder indirekt zu mehr als 90% von **[bei von Volkswagen Financial Services Aktiengesellschaft begebenen Schuldverschreibungen einfügen:** ihr**] [bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** der Garantin**]** gehalten werden, als Hauptschuldnerin für alle Verpflichtungen aus oder im Zusammenhang mit den Schuldverschreibungen an ihre Stelle zu setzen (die "**Nachfolgeschuldnerin**"), sofern die Nachfolgeschuldnerin in der Lage ist, alle Zahlungsverpflichtungen aus oder im Zusammenhang mit den Schuldverschreibungen ohne die Notwendigkeit einer Einbehaltung von irgendwelchen Steuern oder Abgaben an der Quelle zu erfüllen sowie die hierzu erforderlichen Beträge ohne Beschränkungen an die Emissionsstelle zu transferieren. Eine solche Ersetzung ist gemäß § **[**15**]** zu veröffentlichen.

Die Emittentin garantiert unwiderruflich und unbedingt gegenüber den Gläubigern die Zahlung aller von der Nachfolgeschuldnerin auf die Schuldverschreibungen zahlbaren Beträge zu Bedingungen, die den Bedingungen des Musters der nicht nachrangigen Garantie der Emittentin hinsichtlich der nicht nachrangigen Schuldverschreibungen, das im Agency Agreement enthalten ist, entsprechen.

(2) *Bezugnahmen auf die Emittentin.* Im Falle einer solchen Ersetzung gilt jede Nennung der Emittentin in diesen Anleihebedingungen als auf die Nachfolgeschuldnerin bezogen und jede Nennung des Landes, in dem die Emittentin ihren Sitz hat, als auf das Land bezogen, in dem die Nachfolgeschuldnerin ihren Sitz hat.

(3) *Negativerklärung.* **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** Sofern die Garantin die Nachfolgeschuldnerin wird, findet § 10 Absatz 2 keine Anwendung mehr, die Verpflichtungserklärung der Garantin bleibt jedoch für diese bindend.**][bei von Volkswagen Financial Services Aktiengesellschaft begebenen Schuldverschreibungen einfügen:** Wird die Emittentin in ihrer Eigenschaft als Emittentin ersetzt, so bleibt ihre in ihrer Eigenschaft als Emittentin gemäß § 10 Absatz 1 erteilte Negativerklärung für sie bindend.**]**

**Im Fall von Schuldverschreibungen, die Beschlüsse der Gläubiger vorsehen, einfügen**

**[§ [12]**
**BESCHLÜSSE DER GLÄUBIGER; GEMEINSAMER VERTRETER**

**[**(1) *Änderungen der Anleihebedingungen durch Beschluss der Gläubiger.* Diese Anleihebedingungen können durch die Emittentin mit Zustimmung der Gläubiger aufgrund Mehrheitsbeschlusses nach Maßgabe der §§ 5 ff. des Gesetzes über Schuldverschreibungen aus Gesamtemissionen (Schuldverschreibungsgesetz – "**SchVG**") in seiner jeweiligen gültigen Fassung geändert werden. Die Gläubiger können insbesondere einer Änderung wesentlicher Inhalte der Anleihebedingungen zustimmen, einschließlich der in § 5 Absatz 3 SchVG vorgesehenen Maßnahmen. Ein ordnungsgemäß gefasster Mehrheitsbeschluss ist für alle Gläubiger verbindlich.

(2) *Mehrheitserfordernisse.* Vorbehaltlich der Erreichung der erforderlichen Beschlussfähigkeit, entscheiden die Gläubiger mit den in § 5 Absatz 4 Satz 1 und Satz 2 SchVG genannten Mehrheiten.

(3) *Verfahren*. Beschlüsse der Gläubiger werden im Wege der Abstimmung ohne Versammlung nach § 18 SchVG getroffen. Gläubiger, deren Schuldverschreibungen zusammen 5 % des

jeweils ausstehenden Gesamtnennbetrags der Schuldverschreibungen erreichen, können in Textform (z.B. eMail oder Fax) oder schriftlich die Durchführung einer Abstimmung ohne Versammlung nach Maßgabe von § 9 i.V.m. § 18 SchVG verlangen. Die Aufforderung zur Stimmabgabe durch den Abstimmungsleiter regelt die weiteren Einzelheiten der Beschlussfassung und der Abstimmung. Mit der Aufforderung zur Stimmabgabe werden die Beschlussgegenstände sowie die Vorschläge zur Beschlussfassung den Gläubigern bekannt gegeben.

(4) *Teilnahmeberechtigung*. Gläubiger haben die Berechtigung zur Teilnahme an der Abstimmung zum Zeitpunkt der Stimmabgabe durch besonderen Nachweis ihrer Depotbank, welche (a) den vollständigen Namen und die vollständige Adresse des Gläubigers enthält, (b) den Gesamtnennbetrag der Schuldverschreibungen bezeichnet, die unter dem Datum der Bestätigung auf dem Wertpapierdepot verbucht sind, und (c) bestätigt, dass die Depotbank (wie in § **[**16**][**(4)**][**(5)**]** definiert) gegenüber dem Clearing System eine schriftliche Erklärung abgegeben hat, die die vorstehend unter (a) und (b) bezeichneten Informationen enthält, und die Vorlage eines Sperrvermerks ihrer Depotbank zugunsten der Zahlstelle als Hinterlegungsstelle für den Abstimmungszeitraum nachzuweisen.

(5) *Gemeinsamer Vertreter*.

**Falls kein Gemeinsamer Vertreter in den Anleihebedingungen bestellt wird und die Gläubiger einen Gemeinsamen Vertreter durch Mehrheitsbeschluss bestellen können, einfügen:**

**[**Die Gläubiger können durch Mehrheitsbeschluss die Bestellung und Abberufung eines gemeinsamen Vertreters, die Aufgaben und Befugnisse des gemeinsamen Vertreters, die Ausübung von Rechten der Gläubiger auf den gemeinsamen Vertreter und eine Beschränkung der Haftung des gemeinsamen Vertreters bestimmen. Die Bestellung eines gemeinsamen Vertreters bedarf einer qualifizierten Mehrheit im Sinne des § 5 Abs. 4 Satz 2 SchVG, wenn er ermächtigt wird, Änderungen wesentlicher Inhalte der Anleihebedingungen, deren Beschluss einer qualifizierten Mehrheit erfordern, zuzustimmen.**]**

**Im Fall der Bestellung des Gemeinsamen Vertreters in den Anleihebedingungen, einfügen**

**[[Name, Adresse, Kontaktdaten einfügen]**

wird hiermit zum gemeinsamen Vertreter der Gläubiger gemäß §§ 7 und 8 SchVG ernannt.**]**

Der gemeinsame Vertreter hat die Aufgaben und Befugnisse, welche ihm durch Gesetz oder von den Gläubigern durch Mehrheitsbeschluss eingeräumt wurden.

**Gegebenenfalls weitere Aufgaben und Befugnisse sowie Bestimmung zur Haftung des Gemeinsamen Vertreters einfügen:**

**[**Zusätzlich, hat der gemeinsame Vertreter die folgenden Aufgaben und Befugnisse:

**[Aufgaben und Befugnisse einfügen]**.**]**

**[**Die Haftung des gemeinsamen Vertreters ist auf das **[**Zehnfache**][höheren Wert einfügen]** seiner jährlichen Vergütung begrenzt, es sei denn, er handelt vorsätzlich oder grob fahrlässig.**]**

(6) *Bekanntmachungen*. Bekanntmachungen betreffend diesen § 12(1) bis (5) erfolgen gemäß den §§ 5ff. SchVG sowie nach § **[**15**]** dieser Anleihebedingungen.**]**

## § [13]
## VORLEGUNGSFRIST, VERJÄHRUNG

Die in § 801 Absatz 1 Satz 1 BGB bestimmte Vorlegungsfrist wird für die Schuldverschreibungen auf zehn Jahre abgekürzt, und die Verjährungsfrist für Ansprüche aus den Schuldverschreibungen, die während der Vorlegungsfrist vorgelegt wurden, beträgt zwei Jahre beginnend ab dem Ende der Vorlegungsfrist.

## § [14]
## BEGEBUNG WEITERER SCHULDVERSCHREIBUNGEN, ANKAUF UND ENTWERTUNG

(1) *Begebung weiterer Schuldverschreibungen.* Die Emittentin behält sich vor, jederzeit ohne Zustimmung der Gläubiger weitere Schuldverschreibungen mit gleicher Ausstattung (gegebenenfalls mit Ausnahme des Ausgabetages, des anfänglichen Zinszahlungstages und/oder des Ausgabepreises) in der Weise zu begeben, dass sie mit diesen Schuldverschreibungen eine einheitliche Serie bilden.

(2) *Ankauf.* Die Emittentin ist jederzeit berechtigt, Schuldverschreibungen im Markt oder anderweitig zu jedem beliebigen Preis zu kaufen. Die von der Emittentin erworbenen Schuldverschreibungen können nach ihrer Wahl von ihr gehalten, weiterverkauft oder bei einer Zahlstelle zwecks Entwertung eingereicht werden. Sofern diese Käufe durch öffentliches Angebot erfolgen, muss dieses Angebot allen Gläubigern gemacht werden.

(3) *Entwertung.* Sämtliche vollständig getilgten Schuldverschreibungen werden unverzüglich entwertet und dürfen nicht wiederbegeben oder weiterverkauft werden.

## § [15]
## MITTEILUNGEN

**Im Fall von Schuldverschreibungen, die an einer Börse notiert sind, einfügen:**

**[**(1) *Bekanntmachung.* Alle die Schuldverschreibungen betreffenden Mitteilungen sind **[falls Deutschland der Herkunftsstaat ist, einfügen:** im Bundesanzeiger zu veröffentlichen.**][falls die Veröffentlichung aufgrund gesetzlicher Bestimmungen zusätzlich in einer von den Börsen in Luxemburg akzeptierten Zeitung vorzunehmen ist, einfügen:** , soweit gesetzlich gefordert, in einer führenden Tageszeitung mit allgemeiner Verbreitung im Großherzogtum Luxemburg zu veröffentlichen. Diese Zeitung**[**en**] [**ist**][**sind**]** voraussichtlich **[**das *Tageblatt***] [***Luxemburger Wort***] [andere Zeitung mit allgemeiner Verbreitung einfügen].]** Jede derartige Mitteilung gilt am Tag der Veröffentlichung (oder bei mehreren Veröffentlichungen am Tag der ersten solchen Veröffentlichung) als wirksam erfolgt.**]**

**Sofern eine Mitteilung durch elektronische Publikation auf der Website der betreffenden Börse möglich ist, einfügen:**

**[**([2]) *Elektronische Bekanntmachung.* Alle die Schuldverschreibungen betreffenden Mitteilungen erfolgen **[**zusätzlich**]** durch elektronische Publikation auf der Website der **[**Luxemburger Börse**] [betreffende Börse einfügen]** (**[**www.bourse.lu**]**, **[Internetadresse einfügen]**). Jede derartige Mitteilung gilt am Tag der Veröffentlichung (oder bei mehreren Veröffentlichungen am Tag der ersten solchen Veröffentlichung) als wirksam erfolgt.**]**

(**[**3**]**) *Mitteilungen an das Clearingsystem.*

**Im Fall von Schuldverschreibungen, die nicht börsennotiert sind, einfügen:**

**[**Die Emittentin wird alle die Schuldverschreibungen betreffenden Mitteilungen an das Clearingsystem zur Weiterleitung an die Gläubiger übermitteln. Jede derartige Mitteilung gilt am siebten Tag nach dem Tag der Mitteilung an das Clearingsystem als den Gläubigern mitgeteilt.**]**

**Im Fall von Schuldverschreibungen, die an einer Börse notiert sind, einfügen:**

**[**Soweit dies die Regeln der **[maßgebliche Börse einfügen]** zulassen, kann die Emittentin eine Veröffentlichung nach Absatz **[**2**]** durch eine Mitteilung an das Clearingsystem zur Weiterleitung an die Gläubiger ersetzen oder diese Mitteilung zusätzlich zur Veröffentlichung nach Absatz **[**2**]** vornehmen; jede derartige Mitteilung gilt am siebten Tag nach dem Tag der Mitteilung an das Clearingsystem als den Gläubigern mitgeteilt.**]**

(**[**4**]**) *Form der Mitteilung.* Mitteilungen, die von einem Gläubiger gemacht werden, müssen in Textform (z.B. eMail oder Fax) oder schriftlich

erfolgen und zusammen mit der oder den betreffenden Schuldverschreibung(en) an die Emissionsstelle geleitet werden. Solange Schuldverschreibungen durch eine Globalurkunde verbrieft sind, kann eine solche Mitteilung von einem Gläubiger an die Emissionsstelle über das Clearingsystem in der von der Emissionsstelle und dem Clearingsystem dafür vorgesehenen Weise erfolgen.

**§ [16]**
**ANWENDBARES RECHT, ERFÜLLUNGSORT, GERICHTSSTAND, UND GERICHTLICHE GELTENDMACHUNG**

(1) *Anwendbares Recht.* Form und Inhalt der Schuldverschreibungen sowie die Rechte und Pflichten der Emittentin und der Gläubiger bestimmen sich in jeder Hinsicht nach deutschem Recht. In Bezug auf die Rechte und Pflichten der **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder von Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** Garantin,**] [**und der**]** Zahlstellen ist vereinbart worden, dass ebenfalls deutsches Recht anzuwenden ist.

(2) *Erfüllungsort.* Erfüllungsort ist Frankfurt am Main.

(3) *Gerichtsbarkeit.* Gerichtsstand für alle Rechtsstreitigkeiten aus oder im Zusammenhang mit den Schuldverschreibungen ist Frankfurt am Main. Die Gläubiger können ihre Ansprüche jedoch auch vor Gerichten in jedem anderen Land, in dem Vermögen der Emittentin belegen ist, geltend machen. Die deutschen Gerichte sind zuständig für die Kraftloserklärung abhanden gekommener oder vernichteter Schuldverschreibungen. Die Emittentin unterwirft sich hiermit der Gerichtsbarkeit der nach diesem Absatz zuständigen Gerichte.

**Bei von Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:**

**[**(4) *Ernennung von Zustellungsbevollmächtigten.* Für etwaige Rechtsstreitigkeiten oder sonstige Verfahren vor deutschen Gerichten, bestellt die Emittentin Volkswagen Financial Services Aktiengesellschaft, Gifhorner Straße 57, 38112 Braunschweig, Bundesrepublik Deutschland, zu ihrem Zustellungsbevollmächtigten.**]**

**[**(5)**]** *Gerichtliche Geltendmachung.* Jeder Gläubiger von Schuldverschreibungen, der die Schuldverschreibungen über ein Clearingsystem hält, kann in jedem Rechtsstreit gegen die Emittentin oder in jedem Rechtsstreit, in dem der Gläubiger und die Emittentin Partei sind, seine Rechte aus den Schuldverschreibungen im eigenen Namen auf folgender Grundlage wahrnehmen: (i) Er bringt eine Bescheinigung der Depotbank bei, bei der er für die Schuldverschreibungen ein Wertpapierdepot unterhält, welche (a) den vollständigen Namen und die vollständige Adresse des Gläubigers enthält, (b) den Gesamtnennbetrag der Schuldverschreibungen bezeichnet, die unter dem Datum der Bestätigung auf dem Wertpapierdepot verbucht sind und (c) bestätigt, dass die Depotbank gegenüber dem Clearingsystem eine schriftliche Erklärung abgegeben hat, die die vorstehend unter (a) und (b) bezeichneten Informationen enthält; und (ii) er legt eine Kopie der betreffenden Globalurkunde vor, deren Übereinstimmung mit dem Original eine vertretungsberechtigte Person des Clearingsystems oder der Verwahrbank des Clearingsystems bescheinigt hat, ohne dass eine Vorlage der Originalbelege oder der Globalurkunde erforderlich wäre. "**Depotbank**" im Sinne des Vorstehenden ist jedes Kreditinstitut oder jedes anerkannte Finanzinstitut, das berechtigt ist, das Wertpapierverwahrgeschäft zu betreiben, und bei dem der Gläubiger ein Wertpapierdepot für die Schuldverschreibungen unterhält; hierin eingeschlossen ist das Clearingsystem. Unbeschadet des

Vorstehenden kann jeder Gläubiger seine Rechte aus den Schuldverschreibungen auch auf jede andere Weise schützen oder geltend machen, die im Land des Rechtsstreits prozessual zulässig ist.

**§ [17]**
**SPRACHE**

**Falls die Anleihebedingungen in deutscher Sprache mit einer Übersetzung in die englische Sprache abgefasst sind, einfügen:**

**[**Diese Anleihebedingungen sind in deutscher Sprache abgefasst. Eine Übersetzung in die englische Sprache ist beigefügt. Der deutsche Text ist bindend und maßgeblich. Die Übersetzung in die englische Sprache ist unverbindlich.**]**

**Falls die Anleihebedingungen in englischer Sprache mit einer Übersetzung in die deutsche Sprache abgefasst sind, einfügen:**

**[**Diese Anleihebedingungen sind in englischer Sprache abgefasst. Eine Übersetzung in die deutsche Sprache ist beigefügt. Der englische Text ist bindend und maßgeblich. Die Übersetzung in die deutsche Sprache ist unverbindlich.**]**

**Falls die Anleihebedingungen ausschließlich in deutscher Sprache abgefasst sind, einfügen:**

**[**Diese Anleihebedingungen sind ausschließlich in deutscher Sprache abgefasst.**]**

**Falls die Schuldverschreibungen insgesamt oder teilweise öffentlich in Deutschland angeboten oder in Deutschland an nicht-qualifizierte Anleger vertrieben werden und die Anleihebedingungen in englischer Sprache abgefasst sind, einfügen:**

**[**Eine deutsche Übersetzung der Anleihebedingungen wird bei **[Name und Adresse der Zahlstelle in Deutschland einfügen]** in ihrer Eigenschaft als Paying Agent sowie bei der **[**Volkswagen Financial Services Aktiengesellschaft**] [**Volkswagen Leasing GmbH**]** (Abteilung Treasury/FH-FTK), Gifhorner Strasse 57, 38112 Braunschweig, Bundesrepublik Deutschland**]** zur kostenlosen Ausgabe bereitgehalten.**]**

**Option II. Anleihebedingungen für Schuldverschreibungen mit variabler Verzinsung**

**§ 1**
**WÄHRUNG, NENNBETRAG, FORM UND EIGENTUMSRECHT, DEFINITIONEN**

(1) *Währung und Nennbetrag.* Diese Serie der Schuldverschreibungen (die "**Schuldverschreibungen**") der **[maßgebliche Emittentin einfügen]** (die "**Emittentin**") wird in **[Festgelegte Währung einfügen]** (die "**Festgelegte Währung**") im Gesamtnennbetrag von **[falls die Globalurkunde eine NGN ist, einfügen:** (vorbehaltlich § 1 Absatz 6)**] [Gesamtnennbetrag einfügen]** (in Worten: **[Gesamtnennbetrag in Worten einfügen]**) begeben und ist eingeteilt in **[[Anzahl der Schuldverschreibungen, welche in der Festgelegten Stückelung begeben werden, einfügen]** Schuldverschreibungen im Nennbetrag von **[Festgelegte Stückelung einfügen]]** (die "**Festgelegte Stückelung**").

(2) *Form und Eigentumsrecht*. Die Schuldverschreibungen lauten auf den Inhaber und sind durch eine Globalurkunde verbrieft (die"**Globalurkunde**"). Die Übertragung des Eigentumsrechts an den Schuldverschreibungen erfolgt nach den Vorschriften des jeweils anwendbaren Rechts. Weder die Emittentin **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** noch die Garantin,**]** noch die Emissionsstelle oder eine der Zahlstellen sind verpflichtet, das Eigentumsrecht desjenigen, der Schuldverschreibungen vorlegt, zu überprüfen.

**Im Fall von Schuldverschreibungen, die anfänglich durch eine vorläufige Globalurkunde verbrieft sind, einfügen:**

**[**(3) *Vorläufige Globalurkunde – Austausch.*

(a) Die Schuldverschreibungen sind anfänglich in einer vorläufigen Globalurkunde (die "**vorläufige Globalurkunde**") ohne Zinsscheine verbrieft. Die vorläufige Globalurkunde wird, wie nachstehend bestimmt, gegen Schuldverschreibungen, die durch eine Dauerglobalurkunde (die "**Dauerglobalurkunde**") ohne Zinsscheine verbrieft sind, ausgetauscht. Einzelurkunden werden nicht ausgegeben und das Recht der Gläubiger, die Ausstellung und Lieferung von Einzelurkunden zu verlangen, wird ausgeschlossen.

(b) Die vorläufige Globalurkunde wird gegen durch eine Dauerglobalurkunde verbriefte Schuldverschreibungen an dem Austauschtag (der "**Austauschtag**") ausgetauscht, der mindestens 40 Tage nach dem Tag der Begebung der vorläufigen Globalurkunde liegt. Ein solcher Austausch soll nur nach Vorlage einer Bescheinigung durch den jeweiligen Kontoinhaber bei dem Clearingsystem sowie durch das Clearingsystem bei der Emissionsstelle, in der Form von für diese Zwecke bei der Emissionsstelle erhältlichen Formularen, erfolgen. Darin wird bescheinigt, dass der bzw. die wirtschaftlichen Eigentümer der durch die vorläufige Globalurkunde verbrieften Schuldverschreibungen keine US-Personen sind (ausgenommen bestimmte Finanzinstitute oder bestimmte Personen, die die Schuldverschreibungen über solche Finanzinstitute halten). Die Bescheinigungen müssen die anwendbaren Durchführungsbestimmungen des U.S. Finanzministeriums (*U.S. Treasury Regulations*) beachten. Zinszahlungen auf durch eine Vorläufige Globalurkunde verbriefte Schuldverschreibungen erfolgen erst nach Vorlage solcher Bescheinigungen. Eine gesonderte Bescheinigung ist hinsichtlich einer jeden solchen Zinszahlung erforderlich. Jede Bescheinigung, die am oder nach dem 40. Tag nach dem Tag der Ausgabe der Vorläufigen Globalurkunde eingeht, gilt als

Aufforderung, diese Vorläufige Globalurkunde gemäß dieses Unterabsatzes (b) auszutauschen. Jede Dauerglobalurkunde, die im Austausch für die vorläufige Globalurkunde geliefert wird, wird ausschließlich außerhalb der Vereinigten Staaten (wie in § 6 Absatz 3 definiert) ausgeliefert.**]**

**Im Fall von Schuldverschreibungen, die von Anfang an durch eine Dauerglobalurkunde verbrieft sind einfügen:**

**[**(3) *Dauerglobalurkunde*.

Die Schuldverschreibungen sind durch eine Dauerglobalurkunde (die "**Dauerglobalurkunde**") ohne Zinsscheine verbrieft. Einzelurkunden werden nicht ausgegeben und das Recht der Gläubiger, die Ausstellung und Lieferung von Einzelurkunden zu verlangen, wird ausgeschlossen.**]**

(4) *Clearing System*.

Die Globalurkunde wird solange von einem oder im Namen eines Clearingsystems verwahrt, bis sämtliche Verbindlichkeiten der Emittentin aus den Schuldverschreibungen erfüllt sind.

**Im Fall von Schuldverschreibungen, die im Namen der ICSDs verwahrt werden, und die Globalurkunde eine NGN ist, einfügen:**

**[**Die Schuldverschreibungen werden in Form einer new global note ("**NGN**") ausgegeben und von einem common safekeeper im Namen beider ICSDs verwahrt.**]**

**Im Fall von Schuldverschreibungen, die im Namen der ICSDs verwahrt werden, und die Globalurkunde eine CGN ist, einfügen:**

**[**Die Schuldverschreibungen werden in Form einer classical global note ("**CGN**") ausgegeben und von einer gemeinsamen Verwahrstelle im Namen beider ICSDs verwahrt.**]**

(5) *Unterzeichnung der Schuldverschreibungen.* Die Globalurkunden werden handschriftlich namens der Emittentin durch zwei bevollmächtigte Vertreter der Emittentin unterzeichnet und tragen die Kontrollunterschrift der Emissionsstelle oder ihres Beauftragten.

**Falls die Globalurkunde eine NGN ist, einfügen:**

**[**(6) *Register der ICSDs*. Der Gesamtnennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen entspricht dem jeweils in den Registern beider ICSDs eingetragenen Gesamtbetrag. Die Register der ICSDs (unter denen man die Register versteht, die jeder ICSD für seine Kunden über den Betrag ihres Anteils an den Schuldverschreibungen führt) sind maßgeblicher Nachweis über den Gesamtnennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen, und eine zu diesen Zwecken von einem ICSD jeweils ausgestellte Bescheinigung mit dem Betrag der so verbrieften Schuldverschreibungen ist ein maßgeblicher Nachweis über den Inhalt des Registers des jeweiligen ICSD zu diesem Zeitpunkt.

Bei Rückzahlung oder Zahlung einer Zinszahlung bezüglich der durch die Globalurkunde verbrieften Schuldverschreibungen bzw. bei Kauf und Entwertung der durch die Globalurkunde verbrieften Schuldverschreibungen stellt die Emittentin sicher, dass die Einzelheiten über Rückzahlung und Zahlung bzw. Kauf und Löschung bezüglich der Globalurkunde *pro rata* in die Unterlagen der ICSDs eingetragen werden, und dass, nach dieser Eintragung, vom Gesamtnennbetrag der in die Register der ICSDs aufgenommenen und durch die Globalurkunde verbrieften Schuldverschreibungen der Gesamtbetrag der zurückgekauften bzw. gekauften und entwerteten Schuldverschreibungen abgezogen wird.

**[falls die vorläufige Globalurkunde eine NGN ist, einfügen:** Bei Austausch eines Anteils von ausschließlich durch eine vorläufige

Globalurkunde verbriefter Schuldverschreibungen wird die Emittentin sicherstellen, dass die Einzelheiten dieses Austauschs *pro rata* in die Aufzeichnungen der ICSDs aufgenommen werden.**]]**

**[**(7)**]** *Definitionen*. Für die Zwecke dieser Anleihebedingungen bedeutet:

"**Clearingsystem**" **[**jeweils**] [**Clearstream Banking AG, Frankfurt am Main ("**CBF**")**] [**Euroclear Bank SA/NV ("**Euroclear**")**][**,**] [**und**] [**Clearstream Banking, société anonyme, Luxembourg ("**CBL**")**] [**(CBL und Euroclear jeweils ein "**ICSD**" und zusammen die "**ICSDs**")**][**,**] [**und**] [ggf. weitere Clearingsysteme angeben]**.

"**Berechnungsstelle**" die **[**Emissionsstelle in ihrer Eigenschaft als Hauptzahlstelle handelnd durch ihre nachstehend in § 7 bezeichnete Geschäftsstelle**][**die in § 7 angegebene Berechnungsstelle**]** oder jede nach § 7 ernannte Ersatzberechnungsstelle oder weitere Berechnungsstelle.

"**Gläubiger**" in Bezug auf die bei einem Clearingsystem oder einem sonstigen zentralen Wertpapierverwahrer hinterlegten Schuldverschreibungen der Inhaber eines proportionalen Miteigentumsanteils oder eines anderen Rechts an den hinterlegten Schuldverschreibungen, und andernfalls der Inhaber einer Schuldverschreibung.

"**Zahlstelle**" die Emissionsstelle in ihrer Eigenschaft als Hauptzahlstelle handelnd durch ihre nachstehend in § 7 bezeichnete Geschäftsstelle, die weitere**[**n**]** in § 7 angegebenen Zahlstelle**[**n**]** oder jede nach § 7 ernannte Ersatzzahlstelle oder weitere Zahlstelle.

Bezugnahmen in diesen Bedingungen auf die "**Schuldverschreibungen**" beziehen sich auf die Schuldverschreibungen dieser Serie und schließen, wenn der Zusammenhang dies erfordert, Globalurkunden ein.

Bezugnahmen in diesen Bedingungen auf die "**Festgelegte Währung**" schließen jede durch die geltenden Gesetze des Ursprungslandes der Festgelegten Währung oder durch eine zwischenstaatliche Vereinbarung oder Vertrag festgelegte nachfolgende Währung ein (eine "**Nachfolge-Währung**"), vorausgesetzt dass Zahlungen in der ursprünglichen Währung nicht mehr als zulässiges Zahlungsmittel für Zahlungen der Emittentin hinsichtlich der Schuldverschreibungen **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen, einfügen:** bzw. für Zahlungen der Garantin hinsichtlich der Garantie**]** gelten.

## § 2
## STATUS

Die Schuldverschreibungen begründen nicht besicherte und nicht nachrangige Verbindlichkeiten der Emittentin, die untereinander gleichrangig und ohne Vorzugsrecht und mit allen anderen nicht besicherten und nicht nachrangigen Verbindlichkeiten der Emittentin gleichrangig sind, soweit gesetzliche Vorschriften nicht etwas anderes vorsehen.

## § 3
## ZINSEN

(1) *Zinszahlungstage*.

(a) Die Schuldverschreibungen werden in Höhe ihres Gesamtnennbetrages ab dem **[Verzinsungsbeginn einfügen]** (der

"**Verzinsungsbeginn**") (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) und danach von jedem Zinszahlungstag (einschließlich) bis zum nächstfolgenden Zinszahlungstag (ausschließlich) verzinst. Die Zinsen auf Schuldverschreibungen sind an jedem Zinszahlungstag zahlbar.

"**Zinszahlungstag**" bedeutet

**Im Fall von Festgelegten Zinszahlungstagen einfügen:**

**[**jeder **[Festgelegte Zinszahlungstage einfügen]**.**]**

**Im Fall von Festgelegten Zinsperioden einfügen:**

**[**(soweit diese Anleihebedingungen keine abweichenden Bestimmungen vorsehen) jeweils der Tag, der **[Festgelegte Zinsperiode einfügen]** nach dem vorausgehenden Zinszahlungstag liegt, oder im Fall des ersten Zinszahlungstages, nach dem Verzinsungsbeginn.**]**

(b) *Geschäftstagskonvention.* Fällt ein Zinszahlungstag auf einen Tag, der kein Geschäftstag (wie nachfolgend definiert) ist, so wird der Zinszahlungstag:

**Im Fall der Modified Following Business Day Convention einfügen:**

**[**auf den nächstfolgenden Geschäftstag verschoben, es sei denn, dieser würde dadurch in den nächsten Kalendermonat fallen; in diesem Fall wird der Zinszahlungstag auf den unmittelbar vorausgehenden Geschäftstag vorgezogen.**]**

**Im Fall der der FRN Convention einfügen:**

**[**auf den nächstfolgenden Geschäftstag verschoben, es sei denn, dieser würde dadurch in den nächsten Kalendermonat fallen; in diesem Fall (i) wird der Zinszahlungstag auf den unmittelbar vorausgehenden Geschäftstag vorgezogen und (ii) jeder nachfolgende Zahltag ist der jeweils letzte Geschäftstag des Monats, der **[[Zahl einfügen]** Monate**] [andere Zeiträume]** nach dem vorausgehenden gültigen Zinszahlungstag liegt.**]**

**Im Fall der Following Business Day Convention einfügen:**

**[**auf den nächstfolgenden Geschäftstag verschoben.**]**

**Im Fall der Preceding Business Day Convention einfügen:**

**[**auf den unmittelbar vorausgehenden Geschäftstag vorgezogen.**]**

In diesem § 3 bezeichnet "**Geschäftstag**" einen Tag, (außer einem Samstag oder Sonntag), (i) an dem das Clearingsystem Zahlungen abwickelt**[**,**]** **[**und**]** **[**(ii)**]** **[falls Relevante Finanzzentren anwendbar sind, einfügen:** an dem Geschäftsbanken und Devisenmärkte Zahlungen in **[**London**]** **[alle Relevanten Finanzzentren einfügen]** abwickeln**]** **[**und**]** **[**(iii)**]** **[falls TARGET anwendbar ist, einfügen:** an dem alle betroffenen Bereiche des Trans-European Automated Real-time Gross settlement Express Transfer systems 2 ("**TARGET2**") offen sind, um Zahlungen abzuwickeln**]**.

(2) *Zinssatz*.

Der Zinssatz (der "**Zinssatz**") für jede Zinsperiode (wie nachstehend definiert) ist, sofern nachstehend nichts abweichendes bestimmt wird, der Angebotssatz **[(**[●]-month**][**EURIBOR**][**LIBOR**][anderen Referenzsatz einfügen])]** (der "**Referenzsatz**") (ausgedrückt als Prozentsatz *per annum*), für Einlagen in der Festgelegten Währung für die jeweilige Zinsperiode, der auf der Bildschirmseite am Zinsfestlegungstag (wie nachstehend definiert) um **[**11.00 Uhr**][●]** (**[**Brüsseler**]** **[**Londoner**]** **[anderen Ort einfügen]** Zeit) angezeigt wird **[im Falle einer Marge: [**zuzüglich**]** **[**abzüglich**]** der Marge (wie nachstehend definiert)**]**, wobei alle Festlegungen durch die Berechnungsstelle erfolgen.

"**Zinsperiode**" bezeichnet den Zeitraum von dem Verzinsungsbeginn (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) bzw. von jedem Zinszahlungstag (einschließlich) bis zum jeweils darauffolgenden Zinszahlungstag (ausschließlich).

"**Zinsfestlegungstag**" bezeichnet den **[**zweiten**]** **[andere anwendbare Anzahl an Tagen einfügen]** **[**London**]** **[**TARGET**]** **[andere Relevante Finanzzentren einfügen]** Geschäftstag **[**vor Beginn**]** der jeweiligen Zinsperiode.

**Im Fall eines TARGET Geschäftstags einfügen:**

**[**"**TARGET Geschäftstag**" bezeichnet einen Tag (außer einem Samstag oder Sonntag), an dem alle betroffenen Bereiche des TARGET offen sind, um Zahlungen abzuwickeln.**]**

**Im Fall von keinem TARGET Geschäftstag einfügen:**

**[**"**[London][andere Relevante Finanzzentren einfügen]] Geschäftstag**" bezeichnet einen Tag (außer einem Samstag oder Sonntag) an dem Geschäftsbanken für Geschäfte (einschließlich Devisen- und Sortengeschäfte) geöffnet sind in **[[London] [andere Relevante Finanzzentren einfügen]**.**]**

**Im Fall einer Marge einfügen:**

**[**"**Marge**" bezeichnet **[Marge einfügen]** % *per annum.***]**

"**Bildschirmseite**" bezeichnet **[Bildschirmseite einfügen]** oder jede Nachfolgeseite.

Sollte die Bildschirmseite nicht zur Verfügung stehen oder wird zu der genannten Zeit kein Angebotssatz angezeigt, wird die Berechnungsstelle von den Referenzbanken (wie nachstehend definiert) deren jeweilige Angebotssätze (jeweils als Prozentsatz *per annum* ausgedrückt) für Einlagen in der Festgelegten Währung für die betreffende Zinsperiode bei führenden Banken im **[**Londoner**]** **[anderes Finanzzentrum einfügen]** Interbanken-Markt **[**in der Euro-Zone**]** um ca. **[**11.00**][●]** Uhr **[**Brüsseler**]** **[**Londoner**]** **[anderen Ort einfügen]** Ortszeit am Zinsfestlegungstag anfordern. Falls zwei oder mehr Referenzbanken der Berechnungsstelle solche Angebotssätze nennen, ist der Zinssatz für die betreffende Zinsperiode das arithmetische Mittel (falls erforderlich auf- oder abgerundet auf das nächste **[falls der Referenzsatz EURIBOR ist, einfügen:** 1/1.000**]** **[falls der Referenzsatz LIBOR ist, einfügen:** 1/100.000**]** **[falls der Referenzsatz weder EURIBOR noch LIBOR ist, einfügen: ●]**%, wobei **[falls der Referenzsatz EURIBOR ist, einfügen:** 0,0005**]** **[falls der Referenzsatz LIBOR ist, einfügen:** 0,000005**]** **[falls der Referenzsatz weder EURIBOR noch LIBOR ist, einfügen: ●]** aufgerundet wird) dieser Angebotssätze **[im Falle einer Marge einfügen: [**zuzüglich**]** **[**abzüglich**]** der Marge**]**, wobei alle Festlegungen durch die Berechnungsstelle erfolgen.

Falls an einem Zinsfestlegungstag nur eine oder keine der Referenzbanken der Berechnungsstelle solche im vorstehenden Absatz beschriebenen Angebotssätze nennt, ist der Zinssatz für die betreffende Zinsperiode der Satz *per annum*, den die Berechnungsstelle als das arithmetische Mittel (falls erforderlich, auf- oder abgerundet auf das nächste **[falls der Referenzsatz EURIBOR ist, einfügen:** 1/1.000**]** **[falls der Referenzsatz LIBOR ist, einfügen:** 1/100.000**]** **[falls der Referenzsatz weder EURIBOR noch LIBOR ist, einfügen: ●]**%, wobei **[falls der Referenzsatz EURIBOR ist, einfügen:** 0,0005**]** **[falls der Referenzsatz LIBOR ist, einfügen:** 0,000005**]** **[falls der Referenzsatz weder EURIBOR noch LIBOR ist, einfügen: ●]** aufgerundet wird) der Angebotssätze ermittelt, die die Referenzbanken bzw. zwei oder mehrere von ihnen der Berechnungsstelle auf deren Anfrage als den jeweiligen Satz nennen, zu dem ihnen um **[**11.00**][●]** Uhr **[**Brüsseler**]** **[**Londoner**]** **[anderen Ort einfügen]** Zeit an dem betreffenden Zinsfestlegungstag Einlagen in der Festgelegten Währung für die betreffende Zinsperiode von führenden Banken im **[**Londoner**]** **[anderes Finanzzentrum einfügen]** Interbanken-Markt **[**in der

Euro-Zone**]** angeboten werden **[im Falle der Marge einfügen: [**zuzüglich**] [**abzüglich**]** der Marge**]**; falls weniger als zwei der Referenzbanken der Berechnungsstelle solche Angebotssätze nennen, dann soll der Zinssatz für die betreffende Zinsperiode der Angebotssatz für Einlagen in der Festgelegten Währung für die betreffende Zinsperiode, oder das arithmetische Mittel (gerundet wie oben beschrieben) der Angebotssätze für Einlagen in der Festgelegten Währung für die betreffende Zinsperiode sein, den bzw. die eine oder mehrere Banken (die nach Ansicht der Berechnungsstelle und der Emittentin für diesen Zweck geeignet sind) der Berechnungsstelle als Sätze bekannt geben, die sie an dem betreffenden Zinsfestlegungstag gegenüber führenden Banken am **[**Londoner**] [anderes Finanzzentrum einfügen]** Interbanken-Markt **[**in der Euro-Zone**]** (bzw. den diese Banken gegenüber der Berechnungsstelle) nennen **[im Falle einer Marge einfügen: [**zuzüglich**] [**abzüglich**]** der Marge**]**. Für den Fall, dass der Zinssatz nicht gemäß den vorstehenden Bestimmungen dieses Absatzes ermittelt werden kann, ist der Zinssatz der Angebotssatz oder das arithmetische Mittel der Angebotssätze auf der Bildschirmseite, wie vorstehend beschrieben, an dem letzten Tag vor dem Zinsfestlegungstag, an dem diese Angebotssätze angezeigt wurden **[im Falle einer Marge einfügen: [**zuzüglich**][**abzüglich**]** der Marge (wobei jedoch, falls für die relevante Zinsperiode eine andere Marge als für die unmittelbar vorhergehende Zinsperiode gilt, die relevante Marge an die Stelle der Marge für die vorhergehende Zinsperiode tritt**]**.

"**Referenzbanken**" bezeichnen **[falls in den Endgültigen Bedingungen keine anderen Referenzbanken bestimmt werden, einfügen:** diejenigen Niederlassungen von **[falls der Referenzzinssatz EURIBOR ist einfügen:** mindestens vier**]** derjenigen Banken, deren Angebotssätze zur Ermittlung des relevanten Angebotssatzes zu dem Zeitpunkt benutzt wurden, als solch ein Angebot letztmals auf der relevanten Bildschirmseite angezeigt wurde**] [falls in den Endgültigen Bedingungen andere Referenzbanken bestimmt werden, sind sie hier einzufügen]**.**]**

Im Fall eines Referenzwert-Ereignisses (wie unten definiert) soll der Referenzsatz (wie oben definiert) durch einen von der Emittentin festgelegten Referenzsatz durch Anwendung der Schritte (I) bis (IV) (in dieser Reihenfolge) folgendermaßen ersetzt werden (der "**Nachfolge-Referenzsatz**"):

(I) Der Referenzsatz soll durch den Referenzsatz ersetzt werden, der durch den Administrator des Referenzsatzes, die zuständige Zentralbank oder eine Kontroll- oder Aufsichtsbehörde als Nachfolg-Referenzsatz für den Referenzsatz und für die Dauer des Referenzsatzes bekannt gegeben wird und der in Übereinstimmung mit geltendem Recht genutzt werden darf; oder (wenn ein solcher Nachfolge-Referenzsatz nicht festgelegt werden kann);

(II) der Referenzsatz soll durch einen alternativen Referenzsatz ersetzt werden, der üblicherweise (in Übereinstimmung mit geltendem Recht) als Referenzsatz für Schuldverschreibungen in der jeweiligen Währung mit vergleichbarer Laufzeit verwendet wird oder verwendet werden wird; oder (falls ein solcher alternativer Referenzsatz nicht bestimmt werden kann);

(III) der Referenzsatz soll durch einen Referenzsatz ersetzt werden, der üblicherweise (in Übereinstimmung mit geltendem Recht) als Referenzsatz (x) für Zinsswaps (fest-zu-variabel verzinslich) in der relevanten Währung, oder (y) für börsengehandelte Zinsfutures mit vergleichbarer Laufzeit verwendet wird; oder (falls ein solcher alternativer Referenzsatz nicht bestimmt werden kann);

(IV) der Referenzsatz soll durch einen Referenzsatz ersetzt werden, der von der Emittentin (die, für die Zwecke einer solchen Festlegung

das Recht (aber nicht die Verpflichtung) hat, die Meinung eines renommierten, unabhängigen Finanzberaters oder einer Finanzinstitution, die mit den zu diesem Zeitpunkt erforderlichen Berechnungsarten Erfahrung hat, einzuholen und auf diese zu vertrauen) nach billigem Ermessen unter Berücksichtigung der Dauer des Referenzsatzes und der jeweiligen Währung in wirtschaftlich vertretbarer Weise, basierend auf dem allgemeinen Marktzinsniveau zum relevanten Zeitpunkt in der Bundesrepublik Deutschland festgelegt wird.

"**Referenzwert-Ereignis**" bezeichnet:

(a) eine öffentliche Bekanntmachung (i) des Administrators betreffend die dauerhafte und endgültige Einstellung der Veröffentlichung des Referenzsatzes oder dass der Referenzsatz endgültig nicht in das Register gemäß Art. 36 der Verordnung (EU) 2016/2011 eingetragen wird ohne dass ein Nachfolge-Administrator existiert,oder ein sonstiger dauerhafter und endgültiger Wegfall des Referenzsatzes; oder (ii) der für den Administrator des Referenzsatzes zuständigen Behörde betreffend die dauerhafte und endgültige Einstellung des Referenzsatzes; oder

(b) eine von der für den Administrator des Referenzsatzes zuständigen Aufsichtsbehörde bekanntgegebene wesentliche Änderung der Methodik zur Ermittlung oder Berechnung des Referenzsatzes im Vergleich zu derjenigen, die am Tag der Begebung der Schuldverschreibungen zur Anwendung kam, wenn diese nach angemessener Beurteilung der Emittentin dazu führt, dass der gemäß der neuen Methodik ermittelte und berechnete Referenzsatz nicht mehr den Referenzsatz (wie oben definiert) repräsentiert oder zu repräsentieren geeignet ist oder dass der gemäß der neuen Methodik ermittelte und berechnete Referenzsatz aus sonstigen Gründen seinem wirtschaftlichen Gehalt nach nicht mehr mit dem Referenzsatz (wie oben definiert) vergleichbar ist, der mit der bei Begebung der Schuldverschreibungen zur Anwendung kommenden Methodik ermittelt oder berechnet wurde; oder

(c) die Anwendbarkeit eines Gesetzes oder einer sonstigen Rechtsvorschrift oder einer behördlichen oder gerichtlichen Anordnung, Verfügung oder sonstigen verbindlichen Maßnahme, die unmittelbar dazu führt, dass die Verwendung des Referenzsatzes zur Bestimmung von Zahlungsverpflichtungen unter den Schuldverschreibungen für die Emittentin rechtswidrig wäre oder nach der eine derartige Verwendung nicht nur unwesentlichen Beschränkungen oder nachteiligen Folgen unterliegt.

Tritt ein Referenzwert-Ereignis ein, so ist der maßgebliche Zeitpunkt, ab dem der Referenzsatz durch den Nachfolge-Referenzsatz ersetzt wird, der Zeitpunkt der Einstellung der Veröffentlichung des Referenzsatzes (im Falle des Szenarios (a) bzw. der Zeitpunkt, von dem die weitere Verwendung des Referenzsatzes faktisch oder rechtlich unmöglich wäre (im Falle der Szenarien (b) und (c)) (der "**maßgebliche Zeitpunkt**"). Ab dem maßgeblichen Zeitpunkt gilt jede Bezugnahme auf den Referenzsatz als Bezugnahme auf den Nachfolge-Referenzsatz und jede Bezugnahme auf die Bildschirmseite bezieht sich vom maßgeblichen Zeitpunkt an als Bezugnahme auf die Nachfolge-Bildschirmseite, und die Bestimmungen dieses Absatzes gelten entsprechend. Die Emittentin informiert anschließend die Gläubiger gemäß § **[**15**]**, die Emissionsstelle und die Berechnungsstelle. Die Emittentin legt zudem fest, welche Bildschirmseite oder andere Quelle in Verbindung mit einem solchen Nachfolge-Referenzsatz verwendet werden soll (die "**Nachfolge-Bildschirmseite**").

Zusätzlich zu einer Ersetzung des Referenzsatzes durch einen Nachfolge-Referenzsatz kann die Emittentin einen Zinsanpassungsfaktor oder Bruch oder Spanne anwenden, der oder

die von der jeweils zuständigen Stelle empfohlen werden, oder falls eine solche Empfehlung nicht zur Verfügung steht, einen Zinsanpassungsfaktor oder Bruch oder Spanne festlegen, der oder die bei der Ermittlung des Zinssatzes und bei der Berechnung des Zinsbetrags (wie unten definiert) angewendet werden soll und kann weitere Anpassungen der Anleihebedingungen vornehmen (z.B. in Bezug auf den Zinstagequotienten, die Geschäftstagekonvention, die Geschäftstage und der Methode einen Ersatzreferenzsatz zum Nachfolge-Referenzsatz zu bestimmen), mit dem Ziel, ein Ergebnis zu erzielen, das mit dem wirtschaftlichen Gehalt der Schuldverschreibung vor Eintritt des Referenzwert-Ereignisses vereinbar ist und das sich nicht zum wirtschaftlichen Nachteil der Gläubiger auswirkt.

**Im Fall des Interbankenmarktes in der Euro-Zone einfügen:**

**[**"**Euro-Zone**" bezeichnet das Gebiet derjenigen Mitgliedstaaten der Europäischen Union, die gemäß dem Vertrag über die Gründung der Europäischen Gemeinschaft (unterzeichnet in Rom am 25. März 1957), geändert durch den Vertrag über die Europäische Union (unterzeichnet in Maastricht am 7. Februar 1992), den Amsterdamer Vertrag vom 2. Oktober 1997 und den Vertrag von Lissabon vom 13. Dezember 2007, in seiner jeweiligen Fassung, eine einheitliche Währung eingeführt haben oder jeweils eingeführt haben werden.**]**

**Im Fall eines Mindest- und/oder Höchstsatzes einfügen:**

(3) **[***Mindest***-] [***und***] [***Höchst***-]** *Zinssatz*.

**[falls ein Mindestzinssatz gilt, einfügen:** Wenn der gemäß den obigen Bestimmungen für eine Zinsperiode ermittelte Zinssatz niedriger ist als **[Mindestzinssatz einfügen]**, so ist der Zinssatz für diese Zinsperiode **[Mindestzinssatz einfügen]**.**]**

**[falls ein Höchstzinssatz gilt, einfügen:** Wenn der gemäß den obigen Bestimmungen für eine Zinsperiode ermittelte Zinssatz höher ist als **[Höchstzinssatz einfügen]**, so ist der Zinssatz für diese Zinsperiode **[Höchstzinssatz einfügen]**.**]**

**[**(4)**]** *Zinsbetrag*. Die Berechnungsstelle wird zu oder baldmöglichst nach jedem Zeitpunkt, an dem der Zinssatz zu bestimmen ist, den Zinssatz bestimmen und den zahlbaren Zinsbetrag in Bezug auf die Festgelegte Stückelung (der "**Zinsbetrag**") für die entsprechende Zinsperiode berechnen. Der Zinsbetrag wird errechnet, indem der Zinssatz und der Zinstagequotient (wie nachstehend definiert) auf die Festgelegte Stückelung angewendet werden, wobei der resultierende Betrag auf die kleinste Einheit der Festgelegten Währung auf- oder abgerundet wird, wobei 0,5 solcher Einheiten aufgerundet werden.

**[**(5)**]** *Mitteilung von Zinssatz und Zinsbetrag*. Die Berechnungsstelle wird veranlassen, dass der Zinssatz, jeder Zinsbetrag für jede Zinsperiode, jede Zinsperiode und der maßgebliche Zinszahlungstag der Emittentin **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** und der Garantin**]**, sowie den Gläubigern gemäß § **[**15**]** baldmöglichst, aber keinesfalls später als am vierten auf die Berechnung jeweils folgenden **[**TARGET**] [relevantes Finanzzentrum einfügen]** Geschäftstag (wie in § 3 Absatz 2 definiert) und jeder Börse, an der die betreffenden Schuldverschreibungen zu diesem Zeitpunkt notiert sind und deren Regeln eine Mitteilung an die Börse verlangen, baldmöglichst nach der Festlegung, aber keinesfalls später als zu Beginn der jeweiligen Zinsperiode mitgeteilt werden. Im Falle einer Verlängerung oder Verkürzung der Zinsperiode können der mitgeteilte Zinsbetrag und Zinszahlungstag nachträglich angepasst (oder andere geeignete Anpassungsregelungen getroffen) werden, ohne dass diesbezüglich eine Mitteilung erforderlich ist. Jede solche Anpassung wird umgehend der Emittentin, allen Börsen, an denen die

Schuldverschreibungen zu diesem Zeitpunkt notiert sind sowie den Gläubigern gemäß § **[**15**]** mitgeteilt.

**[**(6)**]** *Verbindlichkeit der Festsetzungen*. Alle Bescheinigungen, Mitteilungen, Gutachten, Festsetzungen, Berechnungen, Quotierungen und Entscheidungen, die von der Berechnungsstelle für die Zwecke dieses § 3 gemacht, abgegeben, getroffen oder eingeholt werden, sind (sofern nicht ein offensichtlicher Irrtum vorliegt) für die Emittentin, **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** die Garantin,**]** die Emissionsstelle, die Zahlstellen und die Gläubiger bindend.

**[**(7)**]** *Auflaufende Zinsen*. Falls die Emittentin die Schuldverschreibungen bei Fälligkeit nicht einlöst, fallen auf den ausstehenden Gesamtnennbetrag der Schuldverschreibungen vom Tag der Fälligkeit an bis zur tatsächlichen Rückzahlung Zinsen an, aber nicht länger als bis zum vierzehnten Tag nach der Bekanntmachung durch die Emissionsstelle gemäß § **[**15**]**, dass ihr die für die Rückzahlung der Schuldverschreibungen erforderlichen Mittel zur Verfügung gestellt worden sind. **[**Der maßgebliche Zinssatz entspricht dem gesetzlich festgelegten Satz für Verzugszinsen[1].

**[**(8)**]** *Zinstagequotient.* "**Zinstagequotient**" bezeichnet bezüglich der Berechnung des Zinsbetrages auf eine Schuldverschreibung für einen beliebigen Zeitraum (der "**Zinsberechnungszeitraum**"):

**Im Fall von Actual/Actual (ISDA) einfügen:**

**[**die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum, dividiert durch 365 (oder, falls ein Teil dieses Zinsberechnungszeitraums in ein Schaltjahr fällt, die Summe aus (A) der tatsächlichen Anzahl der in das Schaltjahr fallenden Tage des Zinsberechnungszeitraums dividiert durch 366 und (B) der tatsächlichen Anzahl der nicht in das Schaltjahr fallenden Tage des Zinsberechnungszeitraums dividiert durch 365).**]**

**Im Fall von Actual/Actual (ICMA) einfügen:**

**[**1. Wenn der Zinsberechnungszeitraum (einschließlich des ersten, aber ausschließlich des letzten Tages dieser Periode) kürzer ist als die Feststellungsperiode, in die das Ende des Zinsberechnungszeitraums fällt oder ihr entspricht, die Anzahl der Tage in dem betreffenden Zinsberechnungszeitraum (einschließlich des ersten aber ausschließlich des letzten Tages dieser Periode) geteilt durch das Produkt (1) der Anzahl der Tage in der Feststellungsperiode und (2) der Anzahl der Zinszahlungstage, die in ein Kalenderjahr fallen oder fallen würden, falls Zinsen für das gesamte betreffende Jahr zu zahlen wären; oder

2. wenn der Zinsberechnungszeitraum (einschließlich des ersten, aber ausschließlich des letzten Tages dieser Periode) länger ist als die Feststellungsperiode, in die das Ende des Zinsberechnungszeitraums fällt, die Summe (A) der Anzahl der Tage in dem Zinsberechnungszeitraum, die in die Feststellungsperiode fallen, in welcher der Zinsberechnungszeitraum beginnt, geteilt durch das Produkt (1) der Anzahl der Tage in dieser Feststellungsperiode und (2) der Anzahl der Zinszahlungstage, die in ein Kalenderjahr fallen oder fallen würden, falls Zinsen für das gesamte betreffende Jahr zu zahlen wären und (B) der Anzahl der Tage in dem Zinsberechnungszeitraum, die in die nächste Feststellungsperiode fallen, geteilt durch das Produkt (1) der Anzahl der Tage in dieser Feststellungsperiode und (2) der Anzahl der Zinszahlungstage, die in ein Kalenderjahr fallen oder fallen würden, falls Zinsen für das gesamte betreffende Jahr zu

[1] Der gesetzliche Verzugszinssatz beträgt für das Jahr fünf Prozentpunkte über dem von der Deutsche Bundesbank von Zeit zu Zeit veröffentlichten Basiszinssatz, §§ 288 Absatz 1, 247 BGB.

zahlen wären.

"**Feststellungsperiode**" bezeichnet den Zeitraum ab dem Verzinsungsbeginn (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) oder von jedem Zinszahlungstag (einschließlich) bis zum nächsten Zinszahlungstag (ausschließlich). **[im Falle eines ersten oder letzten kurzen Zinsberechnungszeitraums einfügen**: Zum Zwecke der Bestimmung der maßgeblichen Feststellungsperiode gilt der **[Fiktiven Verzinsungsbeginn oder Fiktiven Zinszahlungstag einfügen]** als **[**Verzinsungsbeginn**][**Zinszahlungstag**].] [Im Falle eines ersten oder letzten langen Zinsberechnungszeitraums einfügen**: Zum Zwecke der Bestimmung der maßgeblichen Feststellungsperiode gelten **[**der**] [Fiktiven Verzinsungsbeginn oder Fiktive(n) Zinszahlungstag(e) einfügen] [**jeweils**]** als **[**Verzinsungsbeginn**][**Zinszahlungstag**[**e**]].]]**

**Im Fall von Actual/365 (Fixed) einfügen:** **[**die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 365.**]**

**Im Fall von Actual/360 einfügen:** **[**die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 360.**]**

**Im Fall von 30/360, 360/360 oder Bond Basis einfügen:** **[**die Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 360, wobei die Anzahl der Tage auf der Grundlage eines Jahres von 360 Tagen mit zwölf Monaten zu je 30 Tagen zu ermitteln ist (es sei denn, (A) der letzte Tag des Zinsberechnungszeitraumes fällt auf den 31. Tag eines Monates, während der erste Tag des Zinsberechnungszeitraumes weder auf den 30. Noch den 31. Tag eines Monats fällt, wobei in diesem Fall der diesen letzten Tag enthaltende Monat nicht als ein auf 30 Tage gekürzter Monat zu behandeln ist, oder (B) der letzte Tag des Zinsberechnungszeitraumes fällt auf den letzten Tag des Monats Februar, wobei in diesem Fall der Monat Februar nicht als ein auf 30 Tage verlängerter Monat zu behandeln ist).**]**

**Im Fall von 30E/360 oder Eurobond Basis einfügen:** **[**die Anzahl der Tage im Zinsberechnungszeitraum dividiert durch 360 (dabei ist die Anzahl der Tage auf der Grundlage eines Jahres von 360 Tagen mit 12 Monaten zu je 30 Tagen zu ermitteln, und zwar ohne Berücksichtigung des ersten oder letzten Tages des Zinsberechnungszeitraumes, es sei denn, dass im Falle eines am Fälligkeitstag endenden Zinsberechnungszeitraums der Fälligkeitstag der letzte Tag des Monats Februar ist, in welchem Fall der Monat Februar als nicht auf einen Monat zu 30 Tagen verlängert gilt).**]**

## § 4
## RÜCKZAHLUNG

Soweit nicht zuvor bereits ganz oder teilweise zurückgezahlt oder angekauft und entwertet, werden die Schuldverschreibungen zu ihrem Rückzahlungsbetrag an dem in den **[Rückzahlungsmonat und Jahr einfügen]** fallenden Zinszahlungstag (der "**Fälligkeitstag**") zurückgezahlt. Der Rückzahlungsbetrag in Bezug auf die Schuldverschreibungen beträgt **[Rückzahlungsbetrag einfügen]**[2] pro Festgelegter Stückelung**.**

## § 5
## VORZEITIGE RÜCKZAHLUNG

(1) *Vorzeitige Rückzahlung aus Steuergründen.* Falls die Emittentin **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** oder die Garantin**]**

[2] Der Rückzahlungsbetrag soll mindestens dem Nennbetrag entsprechen.

als Folge einer Ergänzung oder Änderung der Steuer- und Abgabengesetze und –vorschriften **[bei von Volkswagen Financial Services N.V. begebenen Schuldverschreibungen einfügen:** der Niederlande oder **[bei von Volkswagen Financial Services Japan Ltd. begebenen Schuldverschreibungen einfügen:** Japan oder**] [bei von Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** dem Commonwealth von Australien oder**]** der Bundesrepublik Deutschland oder deren politischen Untergliederungen oder Steuerbehörden oder als Folge einer Ergänzung oder Änderung der Anwendung oder der offiziellen Auslegung dieser Gesetze und Vorschriften, und diese Ergänzung oder Änderung am oder nach dem **[Ausgabetag einfügen]** wirksam werden, zur Zahlung von Zusätzlichen Beträgen (wie in § 8 dieser Anleihebedingungen **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** bzw. in der Garantie**]** definiert) an dem nächstfolgenden Zinszahlungstag (wie in § 3(1) definiert) verpflichtet ist und diese Verpflichtung nicht durch das Ergreifen vernünftiger der Emittentin **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** oder der Garantin**]** zur Verfügung stehender Maßnahmen vermieden werden kann, können die Schuldverschreibungen insgesamt, jedoch nicht teilweise, nach Wahl der Emittentin mit einer Kündigungsfrist von nicht weniger als 30 und nicht mehr als 60 Tagen gekündigt und zum vorgesehenen Vorzeitigen Rückzahlungsbetrag (wie nachstehend definiert) zuzüglich bis zum für die Rückzahlung festgesetzten Tag aufgelaufener Zinsen zurückgezahlt werden.

Eine solche Kündigung darf allerdings (i) nicht früher als 90 Tage vor dem frühestmöglichen Termin erfolgen, an dem die Emittentin **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** oder die Garantin**]** verpflichtet wäre, solche Zusätzlichen Beträge zu zahlen oder solche Abzüge oder Einbehalte in Bezug auf die fälligen Schuldverschreibungen vorzunehmen, und (ii) zu dem Zeitpunkt, zu dem die Kündigung erfolgt, muss die Verpflichtung zur Zahlung von Zusätzlichen Beträgen oder zur Vornahme der genannten Abzüge oder Einbehalte noch wirksam sein. Der für die Rückzahlung festgelegte Termin muss ein Zinszahlungstag sein.

Eine solche Kündigung hat gemäß § **[**15**]** zu erfolgen. Sie ist unwiderruflich, muss den für die Rückzahlung festgelegten Termin nennen und eine zusammenfassende Erklärung enthalten, welche die das Rückzahlungsrecht der Emittentin begründenden Umstände (der "**Kündigungsgrund**") darlegt; des weiteren ist eine Bescheinigung darüber beizufügen, dass es der Emittentin **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** bzw., soweit sich der Kündigungsgrund auf nicht vermeidbare Zahlungen in Bezug auf die Garantie bezieht, der Garantin**]** nach ihrem Ermessen nicht möglich ist, durch die Ergreifung angemessener, ihr zur Verfügung stehender Maßnahmen das Eintreten oder das Fortbestehen des Kündigungsgrundes zu vermeiden.

**Falls die Schuldverschreibungen einer Vorzeitigen Rückzahlungen aufgrund eines Referenzwert-Ereignisses unterliegen, einfügen:**

**[**(2) *Vorzeitige Rückzahlung aufgrund eines Referenzwert-Ereignisses.* Die Schuldverschreibungen können jederzeit insgesamt, jedoch nicht teilweise, nach Wahl der Emittentin mit einer Kündigungsfrist von nicht weniger als 30 und nicht mehr als 60 Tagen vorzeitig gekündigt und zu ihrem Vorzeitigen Rückzahlungsbetrag (wie nachstehend definiert) zuzüglich bis zum für die Rückzahlung festgelegten Tag aufgelaufener Zinsen zurückgezahlt werden, falls ein Referenzwert-Ereignis (wie in § 3(2) definiert) eingetreten ist und es nach Auffassung der Emittentin nicht möglich ist, einen Nachfolge-Referenzsatz wie in §3(2) beschrieben gemäß der Punkte I bis IV zu bestimmen.

**Falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen vorzeitig zurückzuzahlen, einfügen:**

**[[**(3)**]** *Vorzeitige Rückzahlung nach Wahl der Emittentin.*

(a) Die Emittentin kann, nachdem sie gemäß Unterabsatz (b) gekündigt hat, alle Schuldverschreibungen oder einen Teil derselben am/an den Wahl- Rückzahlungstag(en) (Call) oder jederzeit danach bis zum jeweils nachfolgenden Wahl-Rückzahlungstag (ausschließlich) zum/zu den jeweiligen Wahl-Rückzahlungsbetrag bzw. –beträgen (Call), wie nachstehend angegeben, nebst etwaigen bis zum jeweiligen Wahl-Rückzahlungstag (Call) (ausschließlich) aufgelaufenen Zinsen zurückzahlen. **[bei Geltung eines Mindestrückzahlungsbetrages oder eines erhöhten Rückzahlungsbetrages einfügen:** Eine solche Rückzahlung muss in Höhe eines Nennbetrages von **[**mindestens **[Mindestrückzahlungsbetrag einfügen]] [erhöhten Rückzahlungsbetrag einfügen]** erfolgen**]**.**]**

| Wahl-Rückzahlungstag(e) (Call) **[Wahl-Rückzahlungstag(e) einfügen]** | Wahl-Rückzahlungsbetrag/-beträge (Call) **[Wahl-Rückzahlungsbeträge einfügen]** |
|---|---|
| **[**_____**]** | **[**_____**]** |
| **[**_____**]** | **[**_____**]** |

**[falls der Gläubiger ein Wahlrecht hat, die Schuldverschreibungen vorzeitig zu kündigen, einfügen:** Der Emittentin steht dieses Wahlrecht nicht in Bezug auf eine Schuldverschreibung zu, deren Rückzahlung bereits der Gläubiger in Ausübung seines Wahlrechts nach § 5 Absatz 4 verlangt hat.**]**

(b) Die Kündigung ist den Gläubigern durch die Emittentin gemäß § **[**15**]** bekannt zu geben. Sie beinhaltet die folgenden Angaben:

(i) die Serie von Schuldverschreibungen, die Gegenstand der Rückzahlung ist;

(ii) ob diese Serie ganz oder teilweise zurückgezahlt wird und im letzteren Fall den Gesamtnennbetrag der zurückzuzahlenden Schuldverschreibungen;

(iii) den Wahl-Rückzahlungstag (Call), der nicht weniger als **[Mindestkündigungsfrist gegenüber den Gläubigern einfügen]** und nicht mehr als **[Höchstkündigungsfrist gegenüber den Gläubigern einfügen]** Tage nach dem Tag der Kündigung gegenüber den Gläubigern liegen darf; und

(iv) den Wahl-Rückzahlungsbetrag (Call), zu dem die Schuldverschreibungen zurückgezahlt werden.

**[im Falle von durch eine Dauerglobalurkunde verbrieften Schuldverschreibungen einfügen:** Die durch eine Dauerglobalurkunde verbrieften Schuldverschreibungen werden

in Übereinstimmung mit den Regeln des betreffenden Clearingsystems ausgewählt. **[Falls die Schuldverschreibungen in Form einer NGN begeben werden, einfügen:** Die teilweise Rückzahlung wird in den Registern von CBL und Euroclear nach deren Ermessen entweder als Pool-Faktor oder als Reduzierung des Gesamtnennbetrags wiedergegeben.**]]]**

**Falls der Gläubiger ein Wahlrecht hat, die Schuldverschreibungen vorzeitig zu kündigen, einfügen:**

**[[**(4)**]** *Vorzeitige Rückzahlung nach Wahl des Gläubigers*.

(a) Die Emittentin hat eine Schuldverschreibung nach Ausübung des entsprechenden Wahlrechts durch den Gläubiger am/an den Wahl-Rückzahlungstag(en) (Put) zum/zu den Wahl-Rückzahlungsbetrag/-beträgen (Put) nebst etwaigen bis zum Wahl-Rückzahlungstag (Put) (ausschließlich) aufgelaufenen Zinsen zurückzuzahlen.

| Wahl-Rückzahlungstag(e) (Put) **[Wahl-Rückzahlungstag(e) einfügen]** | Wahl-Rückzahlungsbetrag/-beträge (Put) **[Wahl-Rückzahlungs(betrag) bzw. Wahl-Rückzahlungsbeträge einfügen]** |
|---|---|
| **[ ]** | **[ ]** |
| **[ ]** | **[ ]** |

Dem Gläubiger steht dieses Wahlrecht nicht in Bezug auf eine Schuldverschreibung zu, deren Rückzahlung bereits die Emittentin in Ausübung ihres Wahlrechts nach § 5 verlangt hat.

(b) Um dieses Wahlrecht auszuüben, hat der Gläubiger nicht weniger als **[Mindestkündigungsfrist gegenüber der Emittentin einfügen]** Tage und nicht mehr als **[Höchstkündigungsfrist gegenüber der Emittentin einfügen]** Tage vor dem Wahl-Rückzahlungstag (Put), an dem die Rückzahlung gemäß der Ausübungserklärung (wie nachstehend definiert) erfolgen soll, an die bezeichnete Geschäftsstelle einer Zahlstelle eine Mitteilung in Textform (z.B. eMail oder Fax) oder schriftlich zur vorzeitigen Rückzahlung ("**Ausübungserklärung**") zu schicken, wie sie bei der bezeichneten Geschäftsstelle einer Zahlstelle erhältlich ist. Eine Ausübung des Wahlrechts kann nicht widerrufen werden.**]**

**[**(5)**]** *Vorzeitiger Rückzahlungsbetrag.*

Für die Zwecke von Absatz 1 **[Im Falle von Schuldverschreibungen, die einer Vorzeitigen Rückzahlung aufgrund eines Referenzwert-Ereignisses unterliegen, einfügen: [**und**]** Absatz **[**2**]]** des § 5 und § 9 ist der Vorzeitige Rückzahlungsbetrag **[**der Rückzahlungsbetrag**] [anderen Vorzeitigen Rückzahlungsbetrag einfügen]**.

## § 6
## ZAHLUNGEN

(1) (a) *Zahlung auf Kapital.*

Zahlungen auf Kapital in Bezug auf Schuldverschreibungen erfolgen nach Maßgabe des nachstehenden Absatzes 2 an das Clearingsystem oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearingsystems gegen Vorlage und Einreichung der Globalurkunde bei der bezeichneten Geschäftsstelle einer der Zahlstellen außerhalb der Vereinigten Staaten.

(b) *Zahlung von Zinsen*. Die Zahlung von Zinsen auf durch eine Dauerglobalurkunde verbriefte Schuldverschreibungen erfolgt nach

Maßgabe des nachstehenden Absatzes 2 an das Clearingsystem oder dessen Order zur Gutschrift für die betreffenden Kontoinhaber des Clearingsystems. Zinszahlungen erfolgen nur außerhalb der Vereinigten Staaten.

**Im Falle von auf eine vorläufige Globalurkunde zahlbare Zinsen einfügen:**

**[**Die Zahlung von Zinsen auf durch eine vorläufige Globalurkunde verbriefte Schuldverschreibungen erfolgt nach Maßgabe des nachstehenden Absatzes 2 an das Clearingsystem oder dessen Order zur Gutschrift für die betreffenden Kontoinhaber des Clearingsystems nach ordnungsgemäßer Bescheinigung gemäß § 1 (3) (b).**]**

(2) *Zahlungsweise.* Vorbehaltlich geltender steuerlicher und sonstiger gesetzlicher Regelungen und Vorschriften erfolgen zu leistende Zahlungen auf Schuldverschreibungen in der Festgelegten Währung.

(3) *Vereinigte Staaten.* Für die Zwecke des **[im Fall von Schuldverschreibungen, die anfänglich durch eine vorläufige Globalurkunde verbrieft sind, einfügen:** § 1 (3) und des**]** Absatzes (1) dieses § 6 bezeichnet "**Vereinigte Staaten**" die Vereinigten Staaten von Amerika (einschließlich deren Bundesstaaten und des District of Columbia) sowie deren Territorien (einschließlich Puerto Rico, die U.S. Virgin Islands, Guam, American Samoa, Wake Island und die Northern Mariana Islands).

(4) *Befreiung*. Die Emittentin **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** bzw. die Garantin**]** wird durch Leistung der Zahlung an das Clearingsystem oder dessen Order von ihrer Zahlungspflicht befreit.

(5) *Zahltag*. Fällt der Fälligkeitstag einer Zahlung in Bezug auf eine Schuldverschreibung auf einen Tag, der kein Zahltag ist, so ist der Gläubiger erst an dem nächstfolgenden Zahltag berechtigt, die Zahlung an diesem Ort zu verlangen und ist nicht berechtigt, weitere Zinsen oder sonstige Ausgleichszahlungen aufgrund dieser Verspätung zu verlangen. Für diese Zwecke bezeichnet "**Zahltag**" einen Tag, der ein Geschäftstag (wie in § 3 (1) (b) definiert) ist.

**Im Falle von Türkischen Lira als die Festgelegte Währung, einfügen:**

**[**(6) *Zahlung des Gegenwerts in U.S.-Dollar*. Für den Fall, dass die Emittentin ungeachtet des Vorstehenden aus irgendwelchen Gründen nicht in der Lage ist, unter den Schuldverschreibungen fällige Kapitalbeträge oder Zinsen (ganz oder teilweise) in Türkischen Lira zu zahlen, wird die Emittentin nach Versendung einer unwiderruflichen Mitteilung frühestens 30 Kalendertage und spätestens fünf Kalendertage vor dem Tag, an dem die Zahlung an die Gläubiger fällig wird, eine solche Zahlung am Fälligkeitstag (ganz oder teilweise) in U.S.-Dollar zum Gegenwert in U.S.-Dollar des auf Türkische Lira lautenden Betrags tätigen. Sofern die Emittentin Zahlungen von Kapital oder Zinsen teilweise in Türkischen Lira und teilweise in U.S.-Dollar zu tätigen hat, wird sie die Zahlungen an jeden Gläubiger soweit wie möglich im gleichen anteiligen Verhältnis zwischen Türkischen Lira und U.S.-Dollar gemäß den jeweils geltenden Vorschriften des Clearingsystems tätigen.

Für die Zwecke dieser Bedingungen steht der Begriff "**Gegenwert in U.S.-Dollar**" für den auf der Grundlage des an dem betreffenden Kassakurs-Bestimmungstag geltenden Kassakurses in U.S.-Dollar konvertierten Betrag in Türkische Lira.

"**Geschäftstag**" zu Bestimmungszwecken bedeutet ein Tag (außer Samstag und Sonntag), an dem die Geschäftsbanken in London, New York City, TARGET und Istanbul für den üblichen Geschäftsbetrieb (einschließlich Devisengeschäfte) geöffnet sind.

"**Kassakurs-Bestimmungstag**" bedeutet ein Tag, der drei Geschäftstage zu Bestimmungszwecken vor dem Tag liegt, an dem Zahlungen des betreffenden Betrags gemäß diesen Anleihebedingungen fällig sind;

"**Kassakurs**" (*Spot Rate*) bedeutet der Türkische Lira (TRY) / U.S.-Dollar Wechselkurs (USD) (ausgedrückt in einem Betrag in TRY pro einer Einheit USD), welchen die Berechnungsstelle unter Heranziehung der Reuters Bildschirmseite "**Europe Spots**" (RIC:EFX=) (oder der jeweiligen Nachfolge- oder Ersetzungsanbieter bzw. Nachfolge- oder Ersetzungsseite) um ca. 11.00 Uhr (Istanbuler Zeit) am Kassakurs-Bestimmungstag bestimmt.
Sofern ein solcher Kurs nicht verfügbar ist, wird die Berechnungsstelle den Kassakurs um ca. 11 Uhr (Istanbuler Zeit) anhand des Kassakurs-Bestimmungstag am aktuellsten verfügbaren offiziellen TRY / USD Wechselkurs unter Heranziehung dieser Bildschirmseite bestimmen.

Sämtliche Mitteilungen, Stellungnahmen, Bestimmungen, Bescheinigungen, Berechnungen, Quotierungen oder Entscheidungen, die von der Berechnungsstelle zum Zwecke der Bestimmungen dieses Absatzes gemacht oder getroffen werden, sind (sofern kein Vorsatz, keine Arglist und kein offensichtlicher Irrtum vorliegt) für die Emittentin, die beauftragten Stellen sowie für alle Gläubiger bindend.**]**

(**[**7**]**) *Bezugnahmen auf Zahlungen von Kapital und Zinsen*. Bezugnahmen in diesen Anleihebedingungen auf Kapital der Schuldverschreibungen sollen, soweit anwendbar, folgende Beträge beinhalten: den Rückzahlungsbetrag der Schuldverschreibungen; den Vorzeitigen Rückzahlungsbetrag der Schuldverschreibungen; **[falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen aus anderen als steuerlichen Gründen vorzeitig zurückzuzahlen, einfügen:** den Wahl-Rückzahlungsbetrag (Call) der Schuldverschreibungen;**] [falls der Gläubiger ein Wahlrecht hat, die Schuldverschreibungen vorzeitig zu kündigen, einfügen:** den Wahl-Rückzahlungsbetrag (Put) der Schuldverschreibungen;**]** und jeden Aufschlag sowie sonstige auf oder in Bezug auf die Schuldverschreibungen zahlbare Beträge.

Bezugnahmen in diesen Anleihebedingungen auf Zinszahlungen auf Schuldverschreibungen sollen, soweit anwendbar, sämtliche gemäß § 8 zahlbaren Zusätzlichen Beträge einschließen.

(**[**8**]**) *Hinterlegung von Kapital und Zinsen.* Die Emittentin ist berechtigt, beim Amtsgericht Frankfurt am Main Kapital- oder Zinsbeträge zu hinterlegen, die von den Gläubigern nicht innerhalb von zwölf Monaten nach dem Fälligkeitstag beansprucht worden sind, auch wenn die Gläubiger sich nicht in Annahmeverzug befinden. Falls und soweit eine solche Hinterlegung erfolgt, und auf das Recht der Rücknahme verzichtet wird, erlöschen die entsprechenden Ansprüche der Gläubiger gegen die Emittentin.

## § 7
## DIE EMISSIONSSTELLE, DIE ZAHLSTELLE[N] UND DIE BERECHNUNGSSTELLE

(1) *Ernennung; Bezeichnete Geschäftsstellen*. Die anfängliche Emissionsstelle, die anfänglichen Zahlstelle**[**n**]** und die anfänglich bestellte Berechnungsstelle und deren bezeichnete Geschäftsstellen lauten wie folgt:

| | | |
|---|---|---|
| Emissionsstelle<br>Hauptzahlstelle: | und | Citibank, N.A.<br>Citigroup Centre<br>Canary Wharf |

London E14 5LB
Vereinigtes Königreich

Zahlstelle**[**n**]**: **[**Citibank Europe plc, Germany Branch
Reuterweg 16
60323 Frankfurt am Main
Bundesrepublik Deutschland**]**

**[weitere Zahlstellen und deren bezeichnete Geschäftsstellen einfügen]**

**Falls die Emissionsstelle als Berechnungsstelle handelt, einfügen:**

**[**Die Emissionsstelle handelt auch als Berechnungsstelle.**]**

**Falls die Emissionsstelle nicht als Berechnungsstelle handelt, einfügen:**

**[**Berechnungsstelle: **[Name und Geschäftsstelle einfügen]]**

Die Emissionsstelle, die Zahlstelle**[**n**]** und die Berechnungsstelle behalten sich das Recht vor, jederzeit ihre jeweiligen bezeichneten Geschäftsstellen durch andere bezeichnete Geschäftsstellen in derselben Stadt zu ersetzen.

(2) *Änderung der Bestellung oder Abberufung*. Die Emittentin behält sich das Recht vor, jederzeit die Bestellung der Emissionsstelle oder einer Zahlstelle oder der Berechnungsstelle zu ändern oder zu beenden und eine andere Emissionsstelle oder zusätzliche oder andere Zahlstellen oder eine andere Berechnungsstelle zu bestellen. Die Emittentin wird jedoch zu jedem Zeitpunkt (i) eine Emissionsstelle unterhalten **[**,**]** **[**und**]** (ii) zusätzlich zu der Emissionsstelle eine Zahlstelle mit einer bezeichneten Geschäftsstelle in einer kontinentaleuropäischen Stadt, **[für an einer Börse notierte Schuldverschreibungen und soweit die Börsenregeln der betreffenden Börse es erfordern, einfügen: [**,**]** **[**und**]** **[**(iii) solange die Schuldverschreibungen an der **[Name der Börse einfügen]** notiert sind, eine Zahlstelle (die die Emissionsstelle sein kann) mit bezeichneter Geschäftsstelle in **[Ort der Börse einfügen]** und/oder an einem anderen von einer anderen Börse hierfür vorgeschriebenen Ort**]** **[falls die Festgelegte Währung U.S. Dollar ist einfügen: [**,**]]** **[**und**]** **[**(iv)**]**, falls Zahlungen bei den oder durch die Geschäftsstellen aller Zahlstellen außerhalb der Vereinigten Staaten (wie in § 6 (3) definiert) aufgrund der Einführung von Devisenbeschränkungen oder ähnlichen Beschränkungen hinsichtlich der vollständigen Zahlung oder des Empfangs der entsprechenden Beträge in US-Dollar widerrechtlich oder tatsächlich ausgeschlossen werden, eine Zahlstelle mit bezeichneter Geschäftsstelle in New York City**]** **[falls die Berechnungsstelle eine bezeichnete Geschäftsstelle an einem vorgeschriebenen Ort haben muss, einfügen: [**,**]** **[**und**]** **[**(v)**]** eine Berechnungsstelle mit bezeichneter Geschäftsstelle in **[vorgeschriebenen Ort einfügen]]** unterhalten.

Jede Änderung, Abberufung, Bestellung oder jeder sonstige Wechsel wird nur wirksam (außer im Insolvenzfall, in dem eine solche Änderung sofort wirksam wird), sofern die Gläubiger hierüber gemäß § **[**15**]** vorab unter Einhaltung einer Frist von mindestens 30 und nicht mehr als 45 Tagen informiert wurden.

(3) *Beauftragte der Emittentin.* Die Emissionsstelle, die Zahlstelle**[**n**]** und die Berechnungsstelle handeln ausschließlich als Beauftragte der Emittentin und übernehmen keinerlei Verpflichtungen gegenüber den Gläubigern und es wird kein Auftrags- oder Treuhandverhältnis zwischen ihnen und den Gläubigern begründet.

## § 8
## BESTEUERUNG

Sämtliche in Bezug auf die Schuldverschreibungen zu zahlenden Beträge sind ohne Einbehalt oder Abzug von oder aufgrund von gegenwärtigen oder zukünftigen Steuern, Abgaben oder amtlichen Gebühren zu leisten, die von oder in **[bei von Volkswagen Financial Services N.V. begebenen Schuldverschreibungen einfügen:** den Niederlanden oder**] [bei von Volkswagen Financial Services Japan Ltd. begebenen Schuldverschreibungen einfügen:** Japan oder**] [bei von Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** dem Commonwealth von Australien oder**]** der Bundesrepublik Deutschland oder für deren Rechnung oder von oder für Rechnung einer politischen Untergliederung oder Steuerbehörde der oder in **[**den Niederlanden oder**] [**Japan oder**] [**dem Commonwealth von Australien oder**]** der Bundesrepublik Deutschland oder den Vereinigten Staaten von Amerika oder einer politisch untergeordneten Einheit ("**Quellensteuern**") auferlegt, erhoben oder eingezogen werden, es sei denn, dieser Einbehalt oder Abzug ist gesetzlich vorgeschrieben. In diesem Fall wird die Emittentin, außer in den nachstehend aufgeführten Ausnahmefällen, diejenigen zusätzlichen Beträge (die "**Zusätzlichen Beträge**") zahlen, die erforderlich sind, damit die den Gläubigern auf die Schuldverschreibungen zufließenden Nettobeträge nach diesem Einbehalt oder Abzug jeweils den Beträgen entsprechen, die ohne einen solchen Einbehalt oder Abzug zahlbar wären. Die Verpflichtung zur Zahlung solcher Zusätzlichen Beträge besteht allerdings nicht im Hinblick auf Steuern, Abgaben oder amtliche Gebühren, die:

(1) von einer als Depotbank oder Inkassobeauftragter des Gläubigers handelnden Person oder sonst auf andere Weise zu entrichten sind als dadurch, dass die Emittentin aus den von ihr zu leistenden Zahlungen von Kapital oder Zinsen einen Abzug oder Einbehalt vornimmt; oder

(2) wegen einer Rechtsänderung zu zahlen sind (oder auf Grund einer Änderung der Anwendung oder offiziellen Auslegung eines Gesetzes oder einer Vorschrift), welche später als 30 Tage nach Fälligkeit der betreffenden Zahlung oder, wenn dies später erfolgt, ordnungsgemäßer Bereitstellung aller fälligen Beträge und einer diesbezüglichen Bekanntmachung gemäß § **[**15**]** wirksam wird; oder

(3) von einer Zahlstelle abgezogen oder einbehalten werden, wenn eine andere Zahlstelle die Zahlung ohne einen solchen Einbehalt oder Abzug hätte leisten können; oder

(4) wegen einer gegenwärtigen oder früheren persönlichen oder geschäftlichen Beziehung des Gläubigers zu **[bei von Volkswagen Financial Services N.V. begebenen Schuldverschreibungen einfügen:** den Niederlanden oder**] [bei von Volkswagen Financial Services Japan Ltd. begebenen Schuldverschreibungen einfügen:** Japan oder**] [bei von Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** dem Commonwealth von Australien oder**]** der Bundesrepublik Deutschland zu zahlen sind und nicht allein aufgrund der Tatsache, dass Zahlungen in Bezug auf die Schuldverschreibungen **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** oder aus der Garantie (wie in § 10 definiert)**]** aus **[bei von Volkswagen Financial Services N.V. begebenen Schuldverschreibungen einfügen:** den Niederlanden oder aus**] [bei von Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** dem Commonwealth von Australien oder aus**]** der Bundesrepublik Deutschland stammen oder steuerlich so behandelt werden, oder

dort besichert sind; oder

(5) aufgrund (i) einer Richtlinie oder Verordnung der Europäischen Union betreffend die Besteuerung von Zinserträgen oder (ii) einer zwischenstaatlichen Vereinbarung über deren Besteuerung, an der **[im Falle von Schuldverschreibungen, die von Volkswagen Financial Services N.V. begeben werden, einfügen:** die Niederlande oder**] [im Falle von Schuldverschreibungen, die von Volkswagen Financial Services Japan Ltd. begebenen Schuldverschreibungen, einfügen:** Japan oder**] [bei von Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** dem Commonwealth von Australien oder**]** die Bundesrepublik Deutschland oder die Europäische Union beteiligt ist, oder (iii) einer gesetzlichen Vorschrift, die diese Richtlinie, Verordnung oder Vereinbarung umsetzt oder befolgt, abzuziehen oder einzubehalten sind, oder (iv) der Abschnitte 1471 bis 1474 des U.S. Internal Revenue Codes von 1986, in seiner jeweils gültigen Fassung, und gegenwärtigen oder zukünftigen Regelungen oder seiner offiziellen Auslegungen oder Verträgen unter ihm (einschließlich, ohne Beschränkung, einer jeden zwischenstaatlichen Vereinbarung zwischen den Vereinigten Staaten und einer anderen Jurisdiktion oder gemäß jeder Vereinbarung, gesetzlichen Regelung, Verordnung oder anderen offiziellen Verlautbarungen zur Umsetzung solcher zwischenstaatlicher Vereinbarungen) ("**FATCA**"); **[**oder**]**

(6) nicht zu entrichten wären, wenn die Schuldverschreibungen bei einem Kreditinstitut verwahrt und die Zahlungen von diesem eingezogen worden wären**[.][**; oder**]**

**Im Falle von Schuldverschreibungen, die von VWFSJ begeben werden, einfügen:**

**[**(7) in Bezug auf eine Zahlung hinsichtlich durch die VWFSJ begebene Schuldverschreibungen zahlbar sind, bei der der auf die Schuldverschreibung zahlbare Zinsbetrag unter Einbeziehung bestimmter Indikatoren (gemäß der ministeriellen Verordnung zu Artikel 6 Absatz 4 des japanischen Gesetzes über besondere Besteuerungsmaßnahmen (*Special Taxation Measures Law of Japan*) (das "**Japanische Gesetz über besondere Besteuerungsmaßnahmen**")) in Bezug auf VWFSJ oder auf Personen oder Unternehmen, die in einer besonderen Beziehung zur VWFSJ stehen, entsprechend Artikel 6 Absatz 4 des Japanischen Gesetzes über besondere Besteuerungsmaßnahmen (eine "**Person mit besonderer Beziehung zur VWFSJ**"), berechnet wird, es sei denn, der Zinsempfänger ist ein japanisches anerkanntes Finanzinstitut (*designated financial institution*) gemäß Artikel 6 Absatz 9 des Japanischen Gesetzes über besondere Besteuerungsmaßnahmen, das die Anforderungen jenes Absatzes erfüllt hat; oder

(8) gemäß dem Japanischen Gesetz über besondere Besteuerungsmaßnahmen in Bezug auf eine Zahlung hinsichtlich von der VWFSJ begebenen Schuldverschreibungen abgezogen oder einbehalten werden. Zinszahlungen auf die Schuldverschreibungen, die an eine Person mit Wohnsitz in Japan, an eine japanische Gesellschaft (mit Ausnahme (i) eines japanischen anerkannten Finanzinstituts (*designated financial institution*) gemäß Artikel 6 Absatz 9 des Gesetzes über besondere Besteuerungsmaßnahmen, das die Anforderungen jenes Absatzes erfüllt hat und (ii) an eine Kapitalgesellschaft, ein Finanzinstitut oder ein Finanzdienstleistungsunternehmen in Japan gemäß Artikel 3-3 Absatz 6 des Japanischen Gesetzes über besondere Besteuerungsmaßnahmen, welches die Zinszahlungen durch ihren Zahlungsdienstleisters (*payment handling agent*) erhält und die Voraussetzungen für Steuerausnahmen (*tax exemption*) jenes Absatzes erfüllt) erfolgen sollen oder an eine Person, die keinen Wohnsitz in Japan hat, bzw. eine nicht-japanische Gesellschaft, die in beiden Fällen eine Person mit besonderer Beziehung zur VWFSJ ist, werden abzüglich der japanischen Einkommensteuer in Höhe

von 15 Prozent (für den Zeitraum vom 1. Januar 2013 bis zum 31. Dezember 2037 15,315 Prozent) erfolgen.**]**

**Im Falle von Schuldverschreibungen, die von Volkswagen Financial Services Australia Pty Limited begeben werden, einfügen:**

**[**(7) aufgrund der Tatsache zahlbar sind, dass der Gläubiger eine Person ist, die den Abzug oder Einbehalt rechtmäßigerweise dadurch vermeiden könnte (aber nicht vermieden hat), dass er Vorschriften beachtet oder dafür sorgt, dass ein Dritter allen gesetzlichen Voraussetzungen nachkommt oder dadurch, dass er eine Nichtansässigkeitserklärung oder einen ähnlichen Antrag auf Steuerbefreiung gegenüber einer Steuerbehörde am Zahlort abgibt, an dem die jeweilige Schuldverschreibung zur Zahlung vorgelegt wird, oder dafür sorgt, dass ein Dritter dieses unternimmt; oder

(8) aufgrund der Tatsache zahlbar sind, dass der Gläubiger (oder eine Person, die den Gläubiger vertritt) eine Australian Business Number, eine Australian Tax File Number oder Angaben zu einer etwaigen Freistellung von diesen Vorschriften liefert; oder

(9) aufgrund der Tatsache zahlbar sind, dass der Australian Commissioner of Taxation eine Bekanntmachung gemäß § 255 des Australischen Income Tax Assessment Act 1936 oder § 260-5 des Anhang Eins des Australischen Tax Administration Act 1953 veröffentlicht; oder

(10) aufgrund der Tatsache zahlbar sind, dass der Gläubiger, oder eine Person die ein Interesse an den Schuldverschreibungen hat, ein Offshore Associate der Emittentin ist, aber nicht in der Eigenschaft als Clearingstelle, Zahlstelle, Verwahrstelle, Fondsmanager oder zuständige Stelle eines registrierten Systems im Sinne des australischen Corporations Act 2001 handelt. "**Offshore Associate**" meint einen Associate der Emittentin (wie in § 128F (9) des Australischen Income Tax Assessment Act 1936 definiert), der entweder:

(a) nicht in Australien ansässig ist, der die Schuldverschreibungen nicht im Zusammenhang mit der Ausübung einer Geschäftstätigkeit an einer Betriebsstätte oder durch eine Betriebsstätte in Australien erwirbt oder ein Interesse an den Schuldverschreibungen hat, oder

(b) in Australien ansässig ist, der die Schuldverschreibungen im Zusammenhang mit der Ausübung einer Geschäftstätigkeit an einer Betriebsstätte oder durch eine Betriebsstätte außerhalb von Australien erwirbt oder ein Interesse an den Schuldverschreibungen hat.**]**

## § 9
## KÜNDIGUNGSRECHT

(1) *Kündigungsgründe.* Jeder Gläubiger ist berechtigt, seine Schuldverschreibungen zu kündigen und deren sofortige Rückzahlung zum Vorzeitigen Rückzahlungsbetrag (wie in § 5 Absatz **[**5**]** beschrieben) zuzüglich etwaiger aufgelaufener Zinsen bis zum Tag der Rückzahlung zu verlangen, falls:

(a) bezüglich der Schuldverschreibungen zahlbare Beträge nicht innerhalb von 30 Tagen nach dem jeweiligen Fälligkeitstag gezahlt wurden; oder

(b) die Emittentin die Erfüllung irgendeiner anderen Verpflichtung aus den Schuldverschreibungen **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** oder die Garantin die Erfüllung einer Verpflichtung aus der in der Garantie enthaltenen Verpflichtungserklärung (wie in § 10 definiert)**]** unterlässt und die

Unterlassung, sofern diese nicht geheilt wurde, länger als 90 Tage fortdauert, nachdem die Emissionsstelle hierüber eine Benachrichtigung von einem Gläubiger erhalten hat; oder

(c) die Emittentin **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** oder die Garantin**]** ihre Zahlungsunfähigkeit bekannt gibt; oder

(d) ein Gericht ein Konkurs- oder sonstiges Insolvenzverfahren gegen die Emittentin **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** oder die Garantin**]** eröffnet, ein solches Verfahren eingeleitet und nicht innerhalb von 60 Tagen aufgehoben oder ausgesetzt worden ist, oder die Emittentin **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** oder die Garantin**]** ein solches Verfahren beantragt oder einleitet **[bei von Volkswagen Financial Services N.V. begebenen Schuldverschreibungen einfügen:** oder die Emittentin ein "*Surseance van Betaling*" (im Sinne der Konkursgesetze der Niederlande ("*Faillissementswet*") beantragt**]**; oder

(e) die Emittentin **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** oder die Garantin**]** in Liquidation tritt, es sei denn, dies geschieht im Zusammenhang mit einer Verschmelzung, Zusammenlegung oder anderen Form des Zusammenschlusses mit einer anderen Gesellschaft und die andere oder neue Gesellschaft übernimmt alle Verpflichtungen, die die Emittentin **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** bzw. die Garantin**]** im Zusammenhang mit dieser Anleihe eingegangen ist**[**.**] [**; oder**]**

**[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:**

(f) die Garantie erlischt.**]**

(2) *Erlöschen*. Das Kündigungsrecht erlischt, falls der Kündigungsgrund vor Ausübung des Rechts geheilt wurde.

(3) *Mitteilung*. Eine Benachrichtigung einschließlich einer Kündigung hat nach diesem § 9 in Textform (z.B. eMail oder Fax) oder schriftlich in deutscher oder englischer Sprache an die festgelegte Niederlassung der Emissionsstelle zu erfolgen; darin ist der Kapitalbetrag der betreffenden Schuldverschreibungen anzugeben und ein den Anforderungen der Emissionsstelle genügender Nachweis über das Eigentum an den Schuldverschreibungen beizufügen.

## § 10
## NEGATIVVERPFLICHTUNG DER EMITTENTIN [, GARANTIE UND VERPFLICHTUNG DER GARANTIN]

(1) *Negativverpflichtung.* Die Emittentin verpflichtet sich, solange Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen der Emissionsstelle zur Verfügung gestellt worden sind, für andere Schuldverschreibungen oder Anleihen, einschließlich einer dafür übernommenen Garantie oder Gewährleistung, keine Sicherheiten an ihrem Vermögen zu bestellen, ohne gleichzeitig und im gleichen Rang die Gläubiger dieser Schuldverschreibungen an solchen Sicherheiten teilnehmen zu lassen. Zur Vermeidung etwaiger Zweifel, die Verpflichtung in diesem § 10 gilt nicht in Bezug auf Sicherheiten, die in Zusammenhang mit von Tochtergesellschaften der Volkswagen Financial Services AG begebenen *asset-backed-securities* (strukturierte Wertpapiere, die mit Vermögenswerten besichert sind) gestellt werden oder für *asset-backed-securities*, die von einer Zweckgesellschaft begeben werden, bei denen die Emittentin die ursprüngliche Inhaberin der zugrunde liegenden Vermögenswerte ist.

**[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:**

(2) *Garantie.* Volkswagen Financial Services Aktiengesellschaft (die "**Garantin**") hat die unbedingte und unwiderrufliche Garantie (die "**Garantie**") für die ordnungsgemäße Zahlung der Beträge, die Kapital und Zinsen der Schuldverschreibungen entsprechen, übernommen. Darüber hinaus hat sich die Garantin in dieser Garantie verpflichtet (die "**Verpflichtungserklärung**"), solange Schuldverschreibungen ausstehen, jedoch nur bis zum Zeitpunkt, an dem alle Beträge an Kapital und Zinsen der Zahlstelle zur Verfügung gestellt worden sind, für andere Anleiheemissionen, einschließlich dafür übernommener Garantien oder Gewährleistungen, keine Sicherheiten an ihrem Vermögen zu bestellen, ohne gleichzeitig und im gleichen Rang die Gläubiger dieser Schuldverschreibungen an solchen Sicherheiten teilnehmen zu lassen. Zur Vermeidung etwaiger Zweifel, die Verpflichtungserklärung in diesem § 10 gilt nicht in Bezug auf Sicherheiten, die in Zusammenhang mit von einer Tochtergesellschaft der Garantin begebenen *asset-backed-securities* (strukturierte Wertpapiere, die mit Vermögenswerten besichert sind) gestellt werden oder für *asset-backed-securities*, die von einer Zweckgesellschaft begeben werden, bei denen eine Tochtergesellschaft der Garantin die ursprüngliche Inhaberin der zugrunde liegenden Vermögenswerte ist.

Die Garantie stellt einen Vertrag zu Gunsten eines jeden Gläubigers als begünstigtem Dritten gemäß § 328 Absatz (1) BGB dar, welcher das Recht eines jeden Gläubigers begründet, Erfüllung aus der Garantie unmittelbar von der Garantin zu verlangen und die Garantie unmittelbar gegenüber der Garantin durchzusetzen. Kopien der Garantie können kostenlos am Sitz der Garantin und bei der bezeichneten Geschäftsstelle der Emissionsstelle gemäß § 7 bezogen werden.

"**Anleiheemission**" ist eine Emission von Schuldverschreibungen, die an einer Wertpapierbörse, im Freiverkehr oder an einem anderen Wertpapiermarkt notiert, eingeführt oder gehandelt werden bzw. notiert, eingeführt oder gehandelt werden sollen oder können.

## § 11
## ERSETZUNG DER EMITTENTIN

(1) *Ersetzung.* Die Emittentin ist jederzeit berechtigt, ohne Zustimmung der Gläubiger, **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** entweder die

Garantin oder**]** eine andere Gesellschaft, deren stimmberechtigte Aktien oder andere Anteilsrechte direkt oder indirekt zu mehr als 90% von **[bei von Volkswagen Financial Services Aktiengesellschaft begebenen Schuldverschreibungen einfügen:** ihr**] [bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** der Garantin**]** gehalten werden, als Hauptschuldnerin für alle Verpflichtungen aus oder im Zusammenhang mit den Schuldverschreibungen an ihre Stelle zu setzen (die "**Nachfolgeschuldnerin**"), sofern die Nachfolgeschuldnerin in der Lage ist, alle Zahlungsverpflichtungen aus oder im Zusammenhang mit den Schuldverschreibungen ohne die Notwendigkeit einer Einbehaltung von irgendwelchen Steuern oder Abgaben an der Quelle zu erfüllen sowie die hierzu erforderlichen Beträge ohne Beschränkungen an die Emissionsstelle zu transferieren. Eine solche Ersetzung ist gemäß § **[**15**]** zu veröffentlichen.

Die Emittentin garantiert unwiderruflich und unbedingt gegenüber den Gläubigern die Zahlung aller von der Nachfolgeschuldnerin auf die Schuldverschreibungen zahlbaren Beträge zu Bedingungen, die den Bedingungen des Musters der nicht nachrangigen Garantie der Emittentin hinsichtlich der nicht nachrangigen Schuldverschreibungen, das im Agency Agreement enthalten ist, entsprechen.

(2) *Bezugnahmen auf die Emittentin.* Im Falle einer solchen Ersetzung gilt jede Nennung der Emittentin in diesen Anleihebedingungen als auf die Nachfolgeschuldnerin bezogen und jede Nennung des Landes, in dem die Emittentin ihren Sitz hat, als auf das Land bezogen, in dem die Nachfolgeschuldnerin ihren Sitz hat.

(3) *Negativerklärung.* **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** Sofern die Garantin die Nachfolgeschuldnerin wird, findet § 10 Absatz 2 keine Anwendung mehr, die Verpflichtungserklärung der Garantin bleibt jedoch für diese bindend.**][bei von Volkswagen Financial Services Aktiengesellschaft begebenen Schuldverschreibungen einfügen:** Wird die Emittentin in ihrer Eigenschaft als Emittentin ersetzt, so bleibt ihre in ihrer Eigenschaft als Emittentin gemäß § 10 Absatz 1 erteilte Negativerklärung für sie bindend.**]**

**Im Fall von Schuldverschreibungen, die Beschlüsse der Gläubiger vorsehen, einfügen**

**[§ [12]**
**BESCHLÜSSE DER GLÄUBIGER; GEMEINSAMER VERTRETER**

**[**(1) *Änderungen der Anleihebedingungen durch Beschluss der Gläubiger.* Diese Anleihebedingungen können durch die Emittentin mit Zustimmung der Gläubiger aufgrund Mehrheitsbeschlusses nach Maßgabe der §§ 5 ff. des Gesetzes über Schuldverschreibungen aus Gesamtemissionen (Schuldverschreibungsgesetz – "**SchVG**") in seiner jeweiligen gültigen Fassung geändert werden. Die Gläubiger können insbesondere einer Änderung wesentlicher Inhalte der Anleihebedingungen zustimmen, einschließlich der in § 5 Absatz 3 SchVG vorgesehenen Maßnahmen. Ein ordnungsgemäß gefasster Mehrheitsbeschluss ist für alle Gläubiger verbindlich.

(2) *Mehrheitserfordernisse.* Vorbehaltlich der Erreichung der erforderlichen Beschlussfähigkeit, entscheiden die Gläubiger mit den in § 5 Absatz 4 Satz 1 und Satz 2 SchVG genannten Mehrheiten.

(3) *Verfahren*. Beschlüsse der Gläubiger werden im Wege der

Abstimmung ohne Versammlung nach § 18 SchVG getroffen. Gläubiger, deren Schuldverschreibungen zusammen 5 % des jeweils ausstehenden Gesamtnennbetrags der Schuldverschreibungen erreichen, können in Textform (z.B. eMail oder Fax) oder schriftlich die Durchführung einer Abstimmung ohne Versammlung nach Maßgabe von § 9 i.V.m. § 18 SchVG verlangen. Die Aufforderung zur Stimmabgabe durch den Abstimmungsleiter regelt die weiteren Einzelheiten der Beschlussfassung und der Abstimmung. Mit der Aufforderung zur Stimmabgabe werden die Beschlussgegenstände sowie die Vorschläge zur Beschlussfassung den Gläubigern bekannt gegeben.

(4) *Teilnahmeberechtigung*. Gläubiger haben die Berechtigung zur Teilnahme an der Abstimmung zum Zeitpunkt der Stimmabgabe durch besonderen Nachweis ihrer Depotbank, welche (a) den vollständigen Namen und die vollständige Adresse des Gläubigers enthält, (b) den Gesamtnennbetrag der Schuldverschreibungen bezeichnet, die unter dem Datum der Bestätigung auf dem Wertpapierdepot verbucht sind, und (c) bestätigt, dass die Depotbank (wie in § **[**16**][**(4)**][**(5)**]** definiert) gegenüber dem Clearing System eine schriftliche Erklärung abgegeben hat, die die vorstehend unter (a) und (b) bezeichneten Informationen enthält, und die Vorlage eines Sperrvermerks ihrer Depotbank zugunsten der Zahlstelle als Hinterlegungsstelle für den Abstimmungszeitraum nachzuweisen.

(5) *Gemeinsamer Vertreter*.

**Falls kein Gemeinsamer Vertreter in den Anleihebedingungen bestellt wird und die Gläubiger einen Gemeinsamen Vertreter durch Mehrheitsbeschluss bestellen können, einfügen:**

**[**Die Gläubiger können durch Mehrheitsbeschluss die Bestellung und Abberufung eines gemeinsamen Vertreters, die Aufgaben und Befugnisse des gemeinsamen Vertreters, die Ausübung von Rechten der Gläubiger auf den gemeinsamen Vertreter und eine Beschränkung der Haftung des gemeinsamen Vertreters bestimmen. Die Bestellung eines gemeinsamen Vertreters bedarf einer qualifizierten Mehrheit im Sinne des § 5 Abs. 4 Satz 2 SchVG, wenn er ermächtigt wird, Änderungen wesentlicher Inhalte der Anleihebedingungen, deren Beschluss einer qualifizierten Mehrheit erfordern, zuzustimmen.**]**

**Im Fall der Bestellung des Gemeinsamen Vertreters in den Anleihebedingungen, einfügen**

**[[Name, Adresse, Kontaktdaten einfügen]**

wird hiermit zum gemeinsamen Vertreter der Gläubiger gemäß §§ 7 und 8 SchVG ernannt.**]**

Der gemeinsame Vertreter hat die Aufgaben und Befugnisse, welche ihm durch Gesetz oder von den Gläubigern durch Mehrheitsbeschluss eingeräumt wurden.

**Gegebenenfalls weitere Aufgaben und Befugnisse sowie Bestimmung zur Haftung des Gemeinsamen Vertreters einfügen:**

**[**Zusätzlich, hat der gemeinsame Vertreter die folgenden Aufgaben und Befugnisse:

**[Aufgaben und Befugnisse einfügen]**.**]**

**[**Die Haftung des gemeinsamen Vertreters ist auf das **[**Zehnfache**][höheren Wert einfügen]** seiner jährlichen Vergütung begrenzt, es sei denn, er handelt vorsätzlich oder grob fahrlässig.**]**

(6) *Bekanntmachungen*. Bekanntmachungen betreffend diesen § 12(1) bis (5) erfolgen gemäß den §§ 5ff. SchVG sowie nach § **[**15**]** dieser Anleihebedingungen.**]**

## § [13]
## VORLEGUNGSFRIST, VERJÄHRUNG

Die in § 801 Absatz 1 Satz 1 BGB bestimmte Vorlegungsfrist wird für die Schuldverschreibungen auf zehn Jahre abgekürzt, und die Verjährungsfrist

für Ansprüche aus den Schuldverschreibungen, die während der Vorlegungsfrist vorgelegt wurden, beträgt zwei Jahre beginnend ab dem Ende der Vorlegungsfrist.

**§ [14]**
**BEGEBUNG WEITERER SCHULDVERSCHREIBUNGEN, ANKAUF UND ENTWERTUNG**

(1) *Begebung weiterer Schuldverschreibungen.* Die Emittentin behält sich vor, jederzeit ohne Zustimmung der Gläubiger weitere Schuldverschreibungen mit gleicher Ausstattung (gegebenenfalls mit Ausnahme des Ausgabetages, des anfänglichen Zinszahlungstages und/oder des Ausgabepreises) in der Weise zu begeben, dass sie mit diesen Schuldverschreibungen eine einheitliche Serie bilden.

(2) *Ankauf.* Die Emittentin ist jederzeit berechtigt, Schuldverschreibungen im Markt oder anderweitig zu jedem beliebigen Preis zu kaufen. Die von der Emittentin erworbenen Schuldverschreibungen können nach ihrer Wahl von ihr gehalten, weiterverkauft oder bei einer Zahlstelle zwecks Entwertung eingereicht werden. Sofern diese Käufe durch öffentliches Angebot erfolgen, muss dieses Angebot allen Gläubigern gemacht werden.

(3) *Entwertung.* Sämtliche vollständig getilgten Schuldverschreibungen werden unverzüglich entwertet und dürfen nicht wiederbegeben oder weiterverkauft werden.

**§ [15]**
**MITTEILUNGEN**

**Im Fall von Schuldverschreibungen, die an einer Börse notiert sind, einfügen:**

**[**(1) *Bekanntmachung.* Alle die Schuldverschreibungen betreffenden Mitteilungen sind **[falls Deutschland der Herkunftsstaat ist, einfügen:** im Bundesanzeiger zu veröffentlichen.**][falls die Veröffentlichung aufgrund gesetzlicher Bestimmungen zusätzlich in einer von den Börsen in Luxemburg akzeptierten Zeitung vorzunehmen ist, einfügen:** , soweit gesetzlich gefordert, in einer führenden Tageszeitung mit allgemeiner Verbreitung im Großherzogtum Luxemburg zu veröffentlichen. Diese Zeitung**[**en**]** **[**ist**][**sind**]** voraussichtlich **[**das *Tageblatt***]** **[** *Luxemburger Wort***]** **[andere Zeitung mit allgemeiner Verbreitung einfügen]**.**]** Jede derartige Mitteilung gilt am Tag der Veröffentlichung (oder bei mehreren Veröffentlichungen am Tag der ersten solchen Veröffentlichung) als wirksam erfolgt.**]**

**Sofern eine Mitteilung durch elektronische Publikation auf der Website der betreffenden Börse möglich ist, einfügen:**

**[**(**[**2**]**) *Elektronische Bekanntmachung.* Alle die Schuldverschreibungen betreffenden Mitteilungen erfolgen **[**zusätzlich**]** durch elektronische Publikation auf der Website der **[**Luxemburger Börse**]** **[betreffende Börse einfügen]** (**[**www.bourse.lu**]**, **[Internetadresse einfügen]**). Jede derartige Mitteilung gilt am Tag der Veröffentlichung (oder bei mehreren Veröffentlichungen am Tag der ersten solchen Veröffentlichung) als wirksam erfolgt.**]**

(**[**3**]**) *Mitteilungen an das Clearingsystem.*

**Im Fall von Schuldverschreibungen, die nicht börsennotiert sind, einfügen:**

**[**Die Emittentin wird alle die Schuldverschreibungen betreffenden Mitteilungen an das Clearingsystem zur Weiterleitung an die Gläubiger übermitteln. Jede derartige Mitteilung gilt am siebten Tag nach dem Tag der Mitteilung an das Clearingsystem als den Gläubigern mitgeteilt.**]**

**Im Fall von Schuldverschreibungen, die an einer Börse notiert sind, einfügen:**

**[**Soweit dies die Regeln der **[maßgebliche Börse einfügen]** zulassen, kann die Emittentin eine Veröffentlichung nach Absatz **[**2**]** durch eine Mitteilung an das Clearingsystem zur Weiterleitung an die Gläubiger ersetzen oder diese Mitteilung zusätzlich zur Veröffentlichung nach Absatz **[**2**]** vornehmen; jede derartige Mitteilung gilt am siebten Tag nach dem Tag der Mitteilung an das Clearingsystem als den Gläubigern mitgeteilt.**]**

**[**(4**)]** *Form der Mitteilung.* Mitteilungen, die von einem Gläubiger gemacht werden, müssen in Textform (z.B. eMail oder Fax) oder schriftlich erfolgen und zusammen mit der oder den betreffenden Schuldverschreibung(en) an die Emissionsstelle geleitet werden. Solange Schuldverschreibungen durch eine Globalurkunde verbrieft sind, kann eine solche Mitteilung von einem Gläubiger an die Emissionsstelle über das Clearingsystem in der von der Emissionsstelle und dem Clearingsystem dafür vorgesehenen Weise erfolgen.

## § [16]
## ANWENDBARES RECHT, ERFÜLLUNGSORT, GERICHTSSTAND, UND GERICHTLICHE GELTENDMACHUNG

(1) *Anwendbares Recht.* Form und Inhalt der Schuldverschreibungen sowie die Rechte und Pflichten der Emittentin und der Gläubiger bestimmen sich in jeder Hinsicht nach deutschem Recht. In Bezug auf die Rechte und Pflichten der **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder von Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** Garantin,**] [**und der**]** Zahlstellen ist vereinbart worden, dass ebenfalls deutsches Recht anzuwenden ist.

(2) *Erfüllungsort.* Erfüllungsort ist Frankfurt am Main.

(3) *Gerichtsbarkeit.* Gerichtsstand für alle Rechtsstreitigkeiten aus oder im Zusammenhang mit den Schuldverschreibungen ist Frankfurt am Main. Die Gläubiger können ihre Ansprüche jedoch auch vor Gerichten in jedem anderen Land, in dem Vermögen der Emittentin belegen ist, geltend machen. Die deutschen Gerichte sind zuständig für die Kraftloserklärung abhanden gekommener oder vernichteter Schuldverschreibungen. Die Emittentin unterwirft sich hiermit der Gerichtsbarkeit der nach diesem Absatz zuständigen Gerichte.

**Bei von Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:**

**[**(4) *Ernennung von Zustellungsbevollmächtigten.* Für etwaige Rechtsstreitigkeiten oder sonstige Verfahren vor deutschen Gerichten, bestellt die Emittentin Volkswagen Financial Services Aktiengesellschaft, Gifhorner Straße 57, 38112 Braunschweig, Bundesrepublik Deutschland, zu ihrem Zustellungsbevollmächtigten.**]**

**[**(5)**]** *Gerichtliche Geltendmachung.* Jeder Gläubiger von Schuldverschreibungen, der die Schuldverschreibungen über ein Clearingsystem hält, kann in jedem Rechtsstreit gegen die Emittentin oder in jedem Rechtsstreit, in dem der Gläubiger und die Emittentin Partei sind, seine Rechte aus den Schuldverschreibungen im eigenen Namen auf folgender Grundlage wahrnehmen: (i) Er bringt eine Bescheinigung der Depotbank bei, bei der er für die Schuldverschreibungen ein Wertpapierdepot unterhält, welche (a) den vollständigen Namen und die vollständige Adresse des Gläubigers enthält, (b) den Gesamtnennbetrag der Schuldverschreibungen bezeichnet, die unter dem Datum der Bestätigung auf dem Wertpapierdepot verbucht sind und (c) bestätigt, dass die Depotbank gegenüber dem Clearingsystem eine schriftliche Erklärung abgegeben hat, die die vorstehend unter (a) und (b) bezeichneten Informationen enthält; und (ii) er legt eine Kopie der betreffenden Globalurkunde vor, deren Übereinstimmung mit dem Original eine vertretungsberechtigte Person des Clearingsystems oder der Verwahrbank des Clearingsystems bescheinigt hat, ohne dass eine Vorlage der Originalbelege oder der Globalurkunde erforderlich wäre. "**Depotbank**" im Sinne des Vorstehenden ist jedes Kreditinstitut oder jedes anerkannte Finanzinstitut, das berechtigt ist, das

Wertpapierverwahrgeschäft zu betreiben, und bei dem der Gläubiger ein Wertpapierdepot für die Schuldverschreibungen unterhält; hierin eingeschlossen ist das Clearingsystem. Unbeschadet des Vorstehenden kann jeder Gläubiger seine Rechte aus den Schuldverschreibungen auch auf jede andere Weise schützen oder geltend machen, die im Land des Rechtsstreits prozessual zulässig ist.

## § [17]
## SPRACHE

**Falls die Anleihebedingungen in deutscher Sprache mit einer Übersetzung in die englische Sprache abgefasst sind, einfügen:**

**[**Diese Anleihebedingungen sind in deutscher Sprache abgefasst. Eine Übersetzung in die englische Sprache ist beigefügt. Der deutsche Text ist bindend und maßgeblich. Die Übersetzung in die englische Sprache ist unverbindlich.**]**

**Falls die Anleihebedingungen in englischer Sprache mit einer Übersetzung in die deutsche Sprache abgefasst sind, einfügen:**

**[**Diese Anleihebedingungen sind in englischer Sprache abgefasst. Eine Übersetzung in die deutsche Sprache ist beigefügt. Der englische Text ist bindend und maßgeblich. Die Übersetzung in die deutsche Sprache ist unverbindlich.**]**

**Falls die Anleihebedingungen ausschließlich in deutscher Sprache abgefasst sind, einfügen:**

**[**Diese Anleihebedingungen sind ausschließlich in deutscher Sprache abgefasst.**]**

**Falls die Schuldverschreibungen insgesamt oder teilweise öffentlich in Deutschland angeboten oder in Deutschland an nicht-qualifizierte Anleger vertrieben werden und die Anleihebedingungen in englischer Sprache abgefasst sind, einfügen:**

**[**Eine deutsche Übersetzung der Anleihebedingungen wird bei **[Name und Adresse der Zahlstelle in Deutschland einfügen]** in ihrer Eigenschaft als Paying Agent sowie bei der **[**Volkswagen Financial Services Aktiengesellschaft**] [**Volkswagen Leasing GmbH**]** (Abteilung Treasury/FH-FTK), Gifhorner Strasse 57, 38112 Braunschweig, Bundesrepublik Deutschland**]** zur kostenlosen Ausgabe bereitgehalten.**]**

**Option III. Anleihebedingungen für Schuldverschreibungen mit fester zu variabler Verzinsung**

**§ 1**
**WÄHRUNG, NENNBETRAG, FORM UND EIGENTUMSRECHT, DEFINITIONEN**

(1) *Währung und Nennbetrag.* Diese Serie der Schuldverschreibungen (die "**Schuldverschreibungen**") der **[maßgebliche Emittentin einfügen]** (die "**Emittentin**") wird in **[Festgelegte Währung einfügen]** (die "**Festgelegte Währung**") im Gesamtnennbetrag von **[falls die Globalurkunde eine NGN ist, einfügen:** (vorbehaltlich § 1 Absatz 6)**] [Gesamtnennbetrag einfügen]** (in Worten: **[Gesamtnennbetrag in Worten einfügen]**) begeben und ist eingeteilt in **[[Anzahl der Schuldverschreibungen, welche in der Festgelegten Stückelung begeben werden, einfügen]** Schuldverschreibungen im Nennbetrag von **[Festgelegte Stückelung einfügen]]** (die "**Festgelegte Stückelung**").

(2) *Form und Eigentumsrecht*. Die Schuldverschreibungen lauten auf den Inhaber und sind durch eine Globalurkunde verbrieft (die "**Globalurkunde**"). Die Übertragung des Eigentumsrechts an den Schuldverschreibungen erfolgt nach den Vorschriften des jeweils anwendbaren Rechts. Weder die Emittentin **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** noch die Garantin,**]** noch die Emissionsstelle oder eine der Zahlstellen sind verpflichtet, das Eigentumsrecht desjenigen, der Schuldverschreibungen vorlegt, zu überprüfen.

**Bei Schuldverschreibungen, die anfänglich durch eine vorläufige Globalurkunde verbrieft sind, einfügen:**

**[**(3) *Vorläufige Globalurkunde – Austausch.*

(a) Die Schuldverschreibungen sind anfänglich in einer vorläufigen Globalurkunde (die "**vorläufige Globalurkunde**") ohne Zinsscheine verbrieft. Die vorläufige Globalurkunde wird, wie nachstehend bestimmt, gegen Schuldverschreibungen, die durch eine Dauerglobalurkunde (die "**Dauerglobalurkunde**") ohne Zinsscheine verbrieft sind, ausgetauscht. Einzelurkunden werden nicht ausgegeben und das Recht der Gläubiger, die Ausstellung und Lieferung von Einzelurkunden zu verlangen, wird ausgeschlossen.

(b) Die vorläufige Globalurkunde wird gegen durch eine Dauerglobalurkunde verbriefte Schuldverschreibungen an dem Austauschtag (der "**Austauschtag**") ausgetauscht, der mindestens 40 Tage nach dem Tag der Begebung der vorläufigen Globalurkunde liegt. Ein solcher Austausch soll nur nach Vorlage einer Bescheinigung durch den jeweiligen Kontoinhaber bei dem Clearingsystem sowie durch das Clearingsystem bei der Emissionsstelle, in der Form von für diese Zwecke bei der Emissionsstelle erhältlichen Formularen, erfolgen. Darin wird bescheinigt, dass der bzw. die wirtschaftlichen Eigentümer der durch die vorläufige Globalurkunde verbrieften Schuldverschreibungen keine US-Personen sind (ausgenommen bestimmte Finanzinstitute oder bestimmte Personen, die die Schuldverschreibungen über solche Finanzinstitute halten). Die Bescheinigungen müssen die anwendbaren Durchführungsbestimmungen des U.S. Finanzministeriums (*U.S. Treasury Regulations*) beachten. Zinszahlungen auf durch eine Vorläufige Globalurkunde verbriefte Schuldverschreibungen erfolgen erst nach Vorlage solcher Bescheinigungen. Eine gesonderte Bescheinigung ist hinsichtlich einer jeden solchen Zinszahlung erforderlich. Jede Bescheinigung, die am oder nach dem 40. Tag nach dem Tag der Ausgabe der Vorläufigen Globalurkunde eingeht, gilt als

Aufforderung, diese Vorläufige Globalurkunde gemäß dieses Unterabsatzes (b) auszutauschen. Jede Dauerglobalurkunde, die im Austausch für die vorläufige Globalurkunde geliefert wird, wird ausschließlich außerhalb der Vereinigten Staaten von Amerika (wie in § 6 Absatz 3 definiert) ausgeliefert.**]**

**Bei Schuldverschreibungen, die von Anfang an durch eine Dauerglobalurkunde verbrieft sind einfügen:**

**[**(3) *Dauerglobalurkunde*.

Die Schuldverschreibungen sind durch eine Dauerglobalurkunde (die "**Dauerglobalurkunde**") ohne Zinsscheine verbrieft. Einzelurkunden werden nicht ausgegeben und das Recht der Gläubiger, die Ausstellung und Lieferung von Einzelurkunden zu verlangen, wird ausgeschlossen.**]**

(4) *Clearing System*.

Die Globalurkunde wird solange von einem oder im Namen eines Clearingsystems verwahrt, bis sämtliche Verbindlichkeiten der Emittentin aus den Schuldverschreibungen erfüllt sind.

**Im Fall von Schuldverschreibungen, die im Namen der ICSDs verwahrt werden, und die Globalurkunde eine NGN ist, einfügen:**

**[**Die Schuldverschreibungen werden in Form einer new global note ("**NGN**") ausgegeben und von einem common safekeeper im Namen beider ICSDs verwahrt.**]**

**Im Fall von Schuldverschreibungen, die im Namen der ICSDs verwahrt werden, und die Globalurkunde eine CGN ist, einfügen:**

**[**Die Schuldverschreibungen werden in Form einer classical global note ("**CGN**") ausgegeben und von einer gemeinsamen Verwahrstelle im Namen beider ICSDs verwahrt.**]**

(5) *Unterzeichnung der Schuldverschreibungen.* Die Globalurkunden werden handschriftlich namens der Emittentin durch zwei bevollmächtigte Vertreter der Emittentin unterzeichnet und tragen die Kontrollunterschrift der Emissionsstelle oder ihres Beauftragten.

**Falls die Globalurkunde eine NGN ist, einfügen:**

**[**(6) *Register der ICSDs*. Der Gesamtnennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen entspricht dem jeweils in den Registern beider ICSDs eingetragenen Gesamtbetrag. Die Register der ICSDs (unter denen man die Register versteht, die jeder ICSD für seine Kunden über den Betrag ihres Anteils an den Schuldverschreibungen führt) sind maßgeblicher Nachweis über den Gesamtnennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen, und eine zu diesen Zwecken von einem ICSD jeweils ausgestellte Bescheinigung mit dem Betrag der so verbrieften Schuldverschreibungen ist ein maßgeblicher Nachweis über den Inhalt des Registers des jeweiligen ICSD zu diesem Zeitpunkt.

Bei Rückzahlung oder Zahlung einer Zinszahlung bezüglich der durch die Globalurkunde verbrieften Schuldverschreibungen bzw. bei Kauf und Entwertung der durch die Globalurkunde verbrieften Schuldverschreibungen stellt die Emittentin sicher, dass die Einzelheiten über Rückzahlung und Zahlung bzw. Kauf und Löschung bezüglich der Globalurkunde *pro rata* in die Unterlagen der ICSDs eingetragen werden, und dass, nach dieser Eintragung, vom Gesamtnennbetrag der in die Register der ICSDs aufgenommenen und durch die Globalurkunde verbrieften Schuldverschreibungen der Gesamtbetrag der zurückgekauften bzw. gekauften und entwerteten Schuldverschreibungen abgezogen wird.

**[falls die vorläufige Globalurkunde eine NGN ist, einfügen:** Bei Austausch eines Anteils von ausschließlich durch eine vorläufige

Globalurkunde verbriefter Schuldverschreibungen wird die Emittentin sicherstellen, dass die Einzelheiten dieses Austauschs *pro rata* in die Aufzeichnungen der ICSDs aufgenommen werden.**]]**

**[**(7)**]** *Definitionen*. Für die Zwecke dieser Anleihebedingungen bedeutet:

"**Clearingsystem**" **[**jeweils**] [**Clearstream Banking AG, Frankfurt am Main ("**CBF**")**] [**Euroclear Bank SA/NV ("**Euroclear**")**][,] [**und**] [**Clearstream Banking, société anonyme, Luxembourg ("**CBL**")**] [**(CBL und Euroclear jeweils ein "**ICSD**" und zusammen die "**ICSDs**")**][,] [**und**] [ggf. weitere Clearingsysteme angeben]**.

"**Berechnungsstelle**" die **[**Emissionsstelle in ihrer Eigenschaft als Hauptzahlstelle handelnd durch ihre nachstehend in § 7 bezeichnete Geschäftsstelle**][**die in § 7 angegebene Berechnungsstelle**]** oder jede nach § 7 ernannte Ersatzberechnungsstelle oder weitere Berechnungsstelle.

"**Gläubiger**" in Bezug auf die bei einem Clearingsystem oder einem sonstigen zentralen Wertpapierverwahrer hinterlegten Schuldverschreibungen der Inhaber eines proportionalen Miteigentumsanteils oder eines anderen Rechts an den hinterlegten Schuldverschreibungen, und andernfalls der Inhaber einer Schuldverschreibung.

"**Zahlstelle**" die Emissionsstelle in ihrer Eigenschaft als Hauptzahlstelle handelnd durch ihre nachstehend in § 7 bezeichnete Geschäftsstelle, die weitere**[**n**]** in § 7 angegebenen Zahlstelle**[**n**]** oder jede nach § 7 ernannte Ersatzzahlstelle oder weitere Zahlstelle.

Bezugnahmen in diesen Bedingungen auf die "**Schuldverschreibungen**" beziehen sich auf die Schuldverschreibungen dieser Serie und schließen, wenn der Zusammenhang dies erfordert, Globalurkunden ein.

Bezugnahmen in diesen Bedingungen auf die "**Festgelegte Währung**" schließen jede durch die geltenden Gesetze des Ursprungslandes der Festgelegten Währung oder durch eine zwischenstaatliche Vereinbarung oder Vertrag festgelegte nachfolgende Währung ein (eine "**Nachfolge-Währung**"), vorausgesetzt dass Zahlungen in der ursprünglichen Währung nicht mehr als zulässiges Zahlungsmittel für Zahlungen der Emittentin hinsichtlich der Schuldverschreibungen **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen, einfügen:** bzw. für Zahlungen der Garantin hinsichtlich der Garantie**]** gelten.

## § 2
## STATUS

Die Schuldverschreibungen begründen nicht besicherte und nicht nachrangige Verbindlichkeiten der Emittentin, die untereinander gleichrangig und ohne Vorzugsrecht und mit allen anderen nicht besicherten und nicht nachrangigen Verbindlichkeiten der Emittentin gleichrangig sind, soweit gesetzliche Vorschriften nicht etwas anderes vorsehen.

## § 3
## ZINSEN

(1) *Festzinsperiode*

(a) *Festzinssatz und Festzinszahlungstage*.

Die Schuldverschreibungen werden in Höhe ihres Gesamtnennbetrages fest verzinst, und zwar vom **[Festverzinsungsbeginn einfügen]** (einschließlich) (der "**Festverzinsungsbeginn**") bis (ausschließlich) **[letzter Festzinszahlungstag einfügen]** mit jährlich **[Festzinssatz einfügen]** %.

Die Zinsen sind nachträglich **[**jährlich**] [**halbjährlich**] [**quartalsweise**] [**monatlich**]** am **[Festzinszahlungstag(e) einfügen]** zahlbar (jeweils ein "**Festzinszahlungstag**"). Die erste Zinszahlung erfolgt am **[ersten Festzinszahlungstag einfügen] [sofern der erste Festzinszahlungstag nicht der erste Jahrestag des Festverzinsungsbeginns ist, einfügen:** und beläuft sich auf **[Anfänglichen Bruchteilzinsbetrag pro Festgelegte Stückelung einfügen]** pro Festgelegte Stückelung.**] [Falls Actual/Actual (ICMA) anwendbar ist, einfügen:** Die Anzahl der Festzinszahlungstage im Kalenderjahr (jeweils ein "**Feststellungstermin**") beträgt **[Anzahl der regulären Zinszahlungstage im Kalenderjahr einfügen]**.**]**

(b) *Berechnung der Zinsen für Teile von Zeiträumen*. Sofern Zinsen für einen Zeitraum von weniger oder mehr als einem Jahr zu berechnen sind, erfolgt die Berechnung auf der Grundlage des Zinstagequotienten (Festzinssatz) (wie nachstehend in Unterabschnitt (c) definiert).

(c) *Zinstagequotient (Festzinssatz).* "**Zinstagequotient (Festzinssatz)**" bezeichnet bezüglich der Berechnung des Festzinsbetrages auf eine Schuldverschreibung gemäß § 3 (1) für einen beliebigen Zeitraum (der "**Zinsberechnungszeitraum**"):

**Im Fall von Actual/Actual (ISDA) einfügen:**

**[**die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum, dividiert durch 365 (oder, falls ein Teil dieses Zinsberechnungszeitraums in ein Schaltjahr fällt, die Summe aus (A) der tatsächlichen Anzahl der in das Schaltjahr fallenden Tage des Zinsberechnungszeitraums dividiert durch 366 und (B) der tatsächlichen Anzahl der nicht in das Schaltjahr fallenden Tage des Zinsberechnungszeitraums dividiert durch 365).**]**

**Im Fall von Actual/Actual (ICMA) einfügen:**

**[**1. Wenn der Zinsberechnungszeitraum (einschließlich des ersten, aber ausschließlich des letzten Tages dieser Periode) kürzer ist als die Feststellungsperiode, in die das Ende des Zinsberechnungszeitraums fällt oder ihr entspricht, die Anzahl der Tage in dem betreffenden Zinsberechnungszeitraum (einschließlich des ersten aber ausschließlich des letzten Tages dieser Periode) geteilt durch das Produkt (1) der Anzahl der Tage in der Feststellungsperiode und (2) der Anzahl der Festzinszahlungstage, die in ein Kalenderjahr fallen oder fallen würden, falls Zinsen für das gesamte betreffende Jahr zu zahlen wären; oder

2. wenn der Zinsberechnungszeitraum (einschließlich des ersten, aber ausschließlich des letzten Tages dieser Periode) länger ist als die Feststellungsperiode, in die das Ende des Zinsberechnungszeitraums fällt, die Summe (A) der Anzahl der Tage in dem Zinsberechnungszeitraum, die in die Feststellungsperiode fallen, in welcher der Zinsberechnungszeitraum beginnt, geteilt durch das Produkt (1) der Anzahl der Tage in dieser Feststellungsperiode und (2) der Anzahl der Festzinszahlungstage, die in ein Kalenderjahr fallen oder fallen würden, falls Zinsen für das gesamte betreffende Jahr zu zahlen wären und (B) der Anzahl der Tage in dem Zinsberechnungszeitraum, die in die nächste Feststellungsperiode fallen, geteilt durch das Produkt (1) der Anzahl der Tage in dieser Feststellungsperiode und (2) der Anzahl der Festzinszahlungstage, die in ein Kalenderjahr fallen oder fallen würden, falls Zinsen für das gesamte betreffende

Jahr zu zahlen wären.

Für die Zwecke dieses Unterabsatzes (c), bezeichnet die "**Feststellungsperiode**" den Zeitraum ab dem Verzinsungsbeginn (einschließlich) bis zum ersten Festzinszahlungstag (ausschließlich) oder von jedem Festzinszahlungstag (einschließlich) bis zum nächsten Festzinszahlungstag (ausschließlich). **[im Falle eines ersten kurzen Zinsberechnungszeitraums einfügen**: Zum Zwecke der Bestimmung der maßgeblichen Feststellungsperiode gilt der **[Fiktiven Festverzinsungsbeginn oder Fiktiven Festzinszahlungstag einfügen]** als **[**Festverzinsungsbeginn**][**Festzinszahlungstag**].] [Im Falle eines ersten langen Zinsberechnungszeitraums einfügen**: Zum Zwecke der Bestimmung der maßgeblichen Feststellungsperiode gelten **[**der**] [Fiktiven Festverzinsungsbeginn oder Fiktive(n) Festzinszahlungstag(e) einfügen]** jeweils als **[**Festverzinsungsbeginn**][**Festzinszahlungstage**[**e**]].]]**

**Im Fall von Actual/365 (Fixed) einfügen:**

**[**die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 365.**]**

**Im Fall von Actual/360 einfügen:**

**[**die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 360.**]**

**Im Fall von 30/360, 360/360 oder Bond Basis einfügen:**

**[**die Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 360, wobei die Anzahl der Tage auf der Grundlage eines Jahres von 360 Tagen mit zwölf Monaten zu je 30 Tagen zu ermitteln ist (es sei denn, (A) der letzte Tag des Zinsberechnungszeitraumes fällt auf den 31. Tag eines Monates, während der erste Tag des Zinsberechnungszeitraumes weder auf den 30. Noch den 31. Tag eines Monats fällt, wobei in diesem Fall der diesen letzten Tag enthaltende Monat nicht als ein auf 30 Tage gekürzter Monat zu behandeln ist, oder (B) der letzte Tag des Zinsberechnungszeitraumes fällt auf den letzten Tag des Monats Februar, wobei in diesem Fall der Monat Februar nicht als ein auf 30 Tage verlängerter Monat zu behandeln ist).**]**

**Im Fall von 30E/360 oder Eurobond Basis einfügen:**

**[**die Anzahl der Tage im Zinsberechnungszeitraum dividiert durch 360 (dabei ist die Anzahl der Tage auf der Grundlage eines Jahres von 360 Tagen mit 12 Monaten zu je 30 Tagen zu ermitteln, und zwar ohne Berücksichtigung des ersten oder letzten Tages des Zinsberechnungszeitraumes, es sei denn, dass im Falle eines am Fälligkeitstag endenden Zinsberechnungszeitraums der Fälligkeitstag der letzte Tag des Monats Februar ist, in welchem Fall der Monat Februar als nicht auf einen Monat zu 30 Tagen verlängert gilt).**]**

(2) *Variable Zinsperiode.*

(a) *Floating Rate Zinszahlungstage.* Die Schuldverschreibungen werden in Höhe ihres Gesamtnennbetrages ab dem **[Floating Rate Verzinsungsbeginn einfügen]** (der "**Floating Rate Verzinsungsbeginn**") (einschließlich) bis zum ersten Floating Rate Zinszahlungstag (ausschließlich) und danach von jedem Floating Rate Zinszahlungstag (einschließlich) bis zum nächstfolgenden Floating Rate Zinszahlungstag (ausschließlich) variabel verzinst. Die variablen Zinsen auf Schuldverschreibungen sind an jedem Floating Rate Zinszahlungstag zahlbar.

"**Floating Rate Zinszahlungstag**" bedeutet

**Im Fall von Festgelegten Floating Rate Zinszahlungstagen einfügen:**

**[**jeder **[Festgelegte Floating Rate Zinszahlungstage einfügen]**.**]**

**Im Fall von Festgelegten**

**[**(soweit diese Anleihebedingungen keine abweichenden

**Floating Rate Zinsperioden einfügen:**

Bestimmungen vorsehen) jeweils der Tag, der **[Festgelegte Floating Rate Zinsperiode(n) einfügen]** nach dem vorausgehenden Floating Rate Zinszahlungstag liegt, oder im Fall des ersten Floating Rate Zinszahlungstages, nach dem Floating Rate Verzinsungsbeginn.**]**

(b) *Geschäftstagskonvention*. Fällt ein Floating Rate Zinszahlungstag auf einen Tag, der kein Geschäftstag (wie nachfolgend definiert) ist, so wird der Floating Rate Zinszahlungstag:

**Im Fall der Modified Following Business Day Convention einfügen:**

**[**auf den nächstfolgenden Geschäftstag verschoben, es sei denn, dieser würde dadurch in den nächsten Kalendermonat fallen; in diesem Fall wird der Floating Rate Zinszahlungstag auf den unmittelbar vorausgehenden Geschäftstag vorgezogen.**]**

**Im Fall der der FRN Convention einfügen:**

**[**auf den nächstfolgenden Geschäftstag verschoben, es sei denn, dieser würde dadurch in den nächsten Kalendermonat fallen; in diesem Fall (i) wird der Floating Rate Zinszahlungstag auf den unmittelbar vorausgehenden Geschäftstag vorgezogen und (ii) jeder nachfolgende Zahltag ist der jeweils letzte Geschäftstag des Monats, der **[[Zahl einfügen]** Monate**] [andere Zeiträume]** nach dem vorausgehenden gültigen Floating Rate Zinszahlungstag liegt.**]**

**Im Fall der Following Business Day Convention einfügen:**

**[**auf den nächstfolgenden Geschäftstag verschoben.**]**

**Im Fall der Preceding Business Day Convention einfügen:**

**[**auf den unmittelbar vorausgehenden Geschäftstag vorgezogen.**]**

In diesem § 3 (2) bezeichnet "**Geschäftstag**" einen Tag, (außer einem Samstag oder Sonntag), (i) an dem das Clearingsystem Zahlungen abwickelt**[,] [**und**] [**(ii)**] [falls Relevante Finanzzentren anwendbar sind, einfügen:** an dem Geschäftsbanken und Devisenmärkte Zahlungen in **[**London**] [alle Relevanten Finanzzentren einfügen]** abwickeln**] [**und**] [**(iii)**] [falls TARGET anwendbar ist, einfügen:** an dem alle betroffenen Bereiche des Trans-European Automated Real-time Gross settlement Express Transfer systems 2 ("**TARGET2**") offen sind, um Zahlungen abzuwickeln**]**.

(c) *Variabler Zinssatz*.

Der variable Zinssatz (der "**Variable Zinssatz**") für jede Floating Rate Zinsperiode (wie nachstehend definiert) ist, sofern nachstehend nichts abweichendes bestimmt wird, der Angebotssatz **[**([●]-month**][**EURIBOR**][**LIBOR**][anderen Referenzsatz einfügen])]** (der "**Referenzsatz**") (ausgedrückt als Prozentsatz *per annum*), für Einlagen in der Festgelegten Währung für die jeweilige Zinsperiode, der auf der Bildschirmseite am Zinsfestlegungstag (wie nachstehend definiert) um **[**11.00 Uhr**][●] ([**Brüsseler**] [**Londoner**] [anderen Ort einfügen]** Zeit) angezeigt wird **[im Falle einer Marge: [**zuzüglich**] [**abzüglich**]** der Marge (wie nachstehend definiert)**]**, wobei alle Festlegungen durch die Berechnungsstelle erfolgen.

"**Floating Rate Zinsperiode**" bezeichnet den Zeitraum von dem Floating Rate Verzinsungsbeginn (einschließlich) bis zum ersten Floating Rate Zinszahlungstag (ausschließlich) bzw. von jedem Floating Rate Zinszahlungstag (einschließlich) bis zum jeweils darauffolgenden Floating Rate Zinszahlungstag (ausschließlich).

"**Zinsfestlegungstag**" bezeichnet den **[**zweiten**] [andere anwendbare Anzahl an Tagen einfügen] [**London**] [**TARGET**] [andere Relevante Finanzzentren einfügen]** Geschäftstag **[**vor Beginn**]** der jeweiligen Floating Rate Zinsperiode.

**Im Fall eines TARGET Geschäftstags einfügen:**

**[**"**TARGET Geschäftstag**" bezeichnet einen Tag (außer einem Samstag oder Sonntag), an dem alle betroffenen Bereiche des TARGET offen sind, um Zahlungen abzuwickeln.**]**

**Im Fall von keinem TARGET Geschäftstag einfügen:**

**[**"**[**London**][andere Relevante Finanzzentren einfügen]] Geschäftstag**" bezeichnet einen Tag (außer einem Samstag oder Sonntag) an dem Geschäftsbanken für Geschäfte (einschließlich Devisen- und Sortengeschäfte) geöffnet sind in **[[**London**] [andere Relevante Finanzzentren einfügen]**.**]**

**Im Fall einer Marge einfügen:**

**[**"**Marge**" bezeichnet **[Marge einfügen]** % *per annum*.**]**

"**Bildschirmseite**" bezeichnet **[Bildschirmseite einfügen]** oder jede Nachfolgeseite.

Sollte die Bildschirmseite nicht zur Verfügung stehen oder wird zu der genannten Zeit kein Angebotssatz angezeigt, wird die Berechnungsstelle von den Referenzbanken (wie nachstehend definiert) deren jeweilige Angebotssätze (jeweils als Prozentsatz *per annum* ausgedrückt) für Einlagen in der Festgelegten Währung für die betreffende Floating Rate Zinsperiode bei führenden Banken im **[**Londoner**] [anderes Finanzzentrum einfügen]** Interbanken-Markt **[**in der Euro-Zone**]** um ca. **[**11.00**][●]** Uhr **[**Brüsseler**] [**Londoner**] [anderen Ort einfügen]** Ortszeit am Zinsfestlegungstag anfordern. Falls zwei oder mehr Referenzbanken der Berechnungsstelle solche Angebotssätze nennen, ist der Variable Zinssatz für die betreffende Floating Rate Zinsperiode das arithmetische Mittel (falls erforderlich auf- oder abgerundet auf das nächste **[falls der Referenzsatz EURIBOR ist, einfügen:** 1/1.000**] [falls der Referenzsatz LIBOR ist, einfügen:** 1/100.000**] [falls der Referenzsatz weder EURIBOR noch LIBOR ist, einfügen: ●]**%, wobei **[falls der Referenzsatz EURIBOR ist, einfügen:** 0,0005**] [falls der Referenzsatz LIBOR ist, einfügen:** 0,000005**] [falls der Referenzsatz weder EURIBOR noch LIBOR ist, einfügen: ●]** aufgerundet wird) dieser Angebotssätze **[im Falle einer Marge einfügen: [**zuzüglich**] [**abzüglich**]** der Marge**]**, wobei alle Festlegungen durch die Berechnungsstelle erfolgen.

Falls an einem Zinsfestlegungstag nur eine oder keine der Referenzbanken der Berechnungsstelle solche im vorstehenden Absatz beschriebenen Angebotssätze nennt, ist der Variable Zinssatz für die betreffende Floating Rate Zinsperiode der Satz *per annum*, den die Berechnungsstelle als das arithmetische Mittel (falls erforderlich, auf- oder abgerundet auf das nächste **[falls der Referenzsatz EURIBOR ist, einfügen:** 1/1.000**] [falls der Referenzsatz LIBOR ist, einfügen:** 1/100.000**] [falls der Referenzsatz weder EURIBOR noch LIBOR ist, einfügen: ●]**%, wobei **[falls der Referenzsatz EURIBOR ist, einfügen:** 0,0005**] [falls der Referenzsatz LIBOR ist, einfügen:** 0,000005**] [falls der Referenzsatz weder EURIBOR noch LIBOR ist, einfügen: ●]** aufgerundet wird) der Angebotssätze ermittelt, die die Referenzbanken bzw. zwei oder mehrere von ihnen der Berechnungsstelle auf deren Anfrage als den jeweiligen Satz nennen, zu dem ihnen um **[**11.00**][●]** Uhr **[**Brüsseler**] [**Londoner**] [anderen Ort einfügen]** Zeit an dem betreffenden Zinsfestlegungstag Einlagen in der Festgelegten Währung für die betreffende Floating Rate Zinsperiode von führenden Banken im **[**Londoner**] [anderes Finanzzentrum einfügen]** Interbanken-Markt **[**in der Euro-Zone**]** angeboten werden **[im Falle der Marge einfügen: [**zuzüglich**] [**abzüglich**]** der Marge**]**; falls weniger als zwei der Referenzbanken der Berechnungsstelle solche Angebotssätze nennen, dann soll der Variable Zinssatz für die betreffende Floating Rate Zinsperiode der Angebotssatz für Einlagen in der Festgelegten Währung für die betreffende Floating Rate Zinsperiode, oder das arithmetische Mittel (gerundet wie oben beschrieben) der

Angebotssätze für Einlagen in der Festgelegten Währung für die betreffende Floating Rate Zinsperiode sein, den bzw. die eine oder mehrere Banken (die nach Ansicht der Berechnungsstelle und der Emittentin für diesen Zweck geeignet sind) der Berechnungsstelle als Sätze bekannt geben, die sie an dem betreffenden Zinsfestlegungstag gegenüber führenden Banken am **[**Londoner**] [anderes Finanzzentrum einfügen]** Interbanken-Markt **[**in der Euro-Zone**]** (bzw. den diese Banken gegenüber der Berechnungsstelle) nennen **[im Falle einer Marge einfügen: [**zuzüglich**] [**abzüglich**]** der Marge**]**. Für den Fall, dass der Variable Zinssatz nicht gemäß den vorstehenden Bestimmungen dieses Absatzes ermittelt werden kann, ist der Variable Zinssatz der Angebotssatz oder das arithmetische Mittel der Angebotssätze auf der Bildschirmseite, wie vorstehend beschrieben, an dem letzten Tag vor dem Zinsfestlegungstag, an dem diese Angebotssätze angezeigt wurden **[im Falle einer Marge einfügen: [**zuzüglich**][**abzüglich**]** der Marge (wobei jedoch, falls für die relevante Floating Rate Zinsperiode eine andere Marge als für die unmittelbar vorhergehende Floating Rate Zinsperiode gilt, die relevante Marge an die Stelle der Marge für die vorhergehende Floating Rate Zinsperiode tritt)**]**.

"**Referenzbanken**" bezeichnen **[falls in den Endgültigen Bedingungen keine anderen Referenzbanken bestimmt werden, einfügen:** diejenigen Niederlassungen von **[falls der Referenzzinssatz EURIBOR ist einfügen:** mindestens vier**]** derjenigen Banken, deren Angebotssätze zur Ermittlung des relevanten Angebotssatzes zu dem Zeitpunkt benutzt wurden, als solch ein Angebot letztmals auf der relevanten Bildschirmseite angezeigt wurde**] [falls in den Endgültigen Bedingungen andere Referenzbanken bestimmt werden, sind sie hier einzufügen]**.**]**

**Im Fall des Interbankenmarktes in der Euro-Zone einfügen:**

**[**"**Euro-Zone**" bezeichnet das Gebiet derjenigen Mitgliedstaaten der Europäischen Union, die gemäß dem Vertrag über die Gründung der Europäischen Gemeinschaft (unterzeichnet in Rom am 25. März 1957), geändert durch den Vertrag über die Europäische Union (unterzeichnet in Maastricht am 7. Februar 1992), den Amsterdamer Vertrag vom 2. Oktober 1997 und den Vertrag von Lissabon vom 13. Dezember 2007, in seiner jeweiligen Fassung, eine einheitliche Währung eingeführt haben oder jeweils eingeführt haben werden.**]**

Im Fall eines Referenzwert-Ereignisses (wie unten definiert) soll der Referenzsatz (wie oben definiert) durch einen von der Emittentin festgelegten Referenzsatz durch Anwendung der Schritte (I) bis (IV) (in dieser Reihenfolge) folgendermaßen ersetzt werden (der "**Nachfolge-Referenzsatz**"):

(I) Der Referenzsatz soll durch den Referenzsatz ersetzt werden, der durch den Administrator des Referenzsatzes, die zuständige Zentralbank oder eine Kontroll- oder Aufsichtsbehörde als Nachfolg-Referenzsatz für den Referenzsatz und für die Dauer des Referenzsatzes bekannt gegeben wird und der in Übereinstimmung mit geltendem Recht genutzt werden darf; oder (wenn ein solcher Nachfolge-Referenzsatz nicht festgelegt werden kann);

(II) der Referenzsatz soll durch einen alternativen Referenzsatz ersetzt werden, der üblicherweise (in Übereinstimmung mit geltendem Recht) als Referenzsatz für Schuldverschreibungen in der jeweiligen Währung mit vergleichbarer Laufzeit verwendet wird oder verwendet werden wird; oder (falls ein solcher alternativer Referenzsatz nicht bestimmt werden kann);

(III) der Referenzsatz soll durch einen Referenzsatz ersetzt werden, der üblicherweise (in Übereinstimmung mit geltendem Recht) als Referenzsatz (x) für Zinsswaps (fest-zu-variabel verzinslich) in der relevanten Währung, oder (y) für börsengehandelte Zinsfutures mit vergleichbarer Laufzeit verwendet wird; oder (falls ein solcher

alternativer Referenzsatz nicht bestimmt werden kann);

(IV) der Referenzsatz soll durch einen Referenzsatz ersetzt werden, der von der Emittentin (die, für die Zwecke einer solchen Festlegung das Recht (aber nicht die Verpflichtung) hat, die Meinung eines renommierten, unabhängigen Finanzberaters oder einer Finanzinstitution, die mit den zu diesem Zeitpunkt erforderlichen Berechnungsarten Erfahrung hat, einzuholen und auf diese zu vertrauen) nach billigem Ermessen unter Berücksichtigung der Dauer des Referenzsatzes und der jeweiligen Währung in wirtschaftlich vertretbarer Weise, basierend auf dem allgemeinen Marktzinsniveau zum relevanten Zeitpunkt in der Bundesrepublik Deutschland festgelegt wird.

"**Referenzwert-Ereignis**" bezeichnet:

(a) eine öffentliche Bekanntmachung (i) des Administrators betreffend die dauerhafte und endgültige Einstellung der Veröffentlichung des Referenzsatzes oder dass der Referenzsatz endgültig nicht in das Register gemäß Art. 36 der Verordnung (EU) 2016/2011 eingetragen wird ohne dass ein Nachfolge-Administrator existiert oder ein sonstiger dauerhafter und endgültiger Wegfall des Referenzsatzes; oder (ii) der für den Administrator des Referenzsatzes zuständigen Behörde betreffend die dauerhafte und endgültige Einstellung des Referenzsatzes; oder

(b) eine von der für den Administrator des Referenzsatzes zuständigen Aufsichtsbehörde bekanntgegebene wesentliche Änderung der Methodik zur Ermittlung oder Berechnung des Referenzsatzes im Vergleich zu derjenigen, die am Tag der Begebung der Schuldverschreibungen zur Anwendung kam, wenn diese nach angemessener Beurteilung der Emittentin dazu führt, dass der gemäß der neuen Methodik ermittelte und berechnete Referenzsatz nicht mehr den Referenzsatz (wie oben definiert) repräsentiert oder zu repräsentieren geeignet ist oder dass der gemäß der neuen Methodik ermittelte und berechnete Referenzsatz aus sonstigen Gründen seinem wirtschaftlichen Gehalt nach nicht mehr mit dem Referenzsatz (wie oben definiert) vergleichbar ist, der mit der bei Begebung der Schuldverschreibungen zur Anwendung kommenden Methodik ermittelt oder berechnet wurde; oder

(c) die Anwendbarkeit eines Gesetzes oder einer sonstigen Rechtsvorschrift oder einer behördlichen oder gerichtlichen Anordnung, Verfügung oder sonstigen verbindlichen Maßnahme, die unmittelbar dazu führt, dass die Verwendung des Referenzsatzes zur Bestimmung von Zahlungsverpflichtungen unter den Schuldverschreibungen für die Emittentin rechtswidrig wäre oder nach der eine derartige Verwendung nicht nur unwesentlichen Beschränkungen oder nachteiligen Folgen unterliegt.

Tritt ein Referenzwert-Ereignis ein, so ist der maßgebliche Zeitpunkt, ab dem der Referenzsatz durch den Nachfolge-Referenzsatz ersetzt wird, der Zeitpunkt der Einstellung der Veröffentlichung des Referenzsatzes (im Falle des Szenarios (a) bzw. der Zeitpunkt, von dem die weitere Verwendung des Referenzsatzes faktisch oder rechtlich unmöglich wäre (im Falle der Szenarien (b) und (c)) (der "**maßgebliche Zeitpunkt**"). Ab dem maßgeblichen Zeitpunkt gilt jede Bezugnahme auf den Referenzsatz als Bezugnahme auf den Nachfolge-Referenzsatz und jede Bezugnahme auf die Bildschirmseite bezieht sich vom maßgeblichen Zeitpunkt an als Bezugnahme auf die Nachfolge-Bildschirmseite, und die Bestimmungen dieses Absatzes gelten entsprechend. Die Emittentin informiert anschließend die Gläubiger gemäß § **[**15**]** sowie die Emissionsstelle und die Berechnungsstelle. Die Emittentin legt zudem fest, welche Bildschirmseite oder andere Quelle in Verbindung mit einem solchen Nachfolge-Referenzsatz verwendet werden soll (die "**Nachfolge-Bildschirmseite**").

Zusätzlich zu einer Ersetzung des Referenzsatzes durch einen Nachfolge-Referenzsatz kann die Emittentin einen Zinsanpassungsfaktor oder Bruch oder Spanne anwenden, der oder die von der jeweils zuständigen Stelle empfohlen werden, oder falls eine solche Empfehlung nicht zur Verfügung steht, einen Zinsanpassungsfaktor oder Bruch oder Spanne festlegen, der oder die bei der Ermittlung des Zinssatzes und bei der Berechnung des Zinsbetrags (wie unten definiert) angewendet werden soll und kann weitere Anpassungen der Anleihebedingungen vornehmen (z.B. in Bezug auf den Zinstagequotienten, die Geschäftstagekonvention, die Geschäftstage und der Methode einen Ersatzreferenzsatz zum Nachfolge-Referenzsatz zu bestimmen), mit dem Ziel, ein Ergebnis zu erzielen, das mit dem wirtschaftlichen Gehalt der Schuldverschreibung vor Eintritt des Referenzwert-Ereignisses vereinbar ist und das sich nicht zum wirtschaftlichen Nachteil der Gläubiger auswirkt.

**Im Fall eines Mindest- und/oder Höchstsatzes einfügen:**

(d) **[***Mindest-***] [***und***] [***Höchst-***]** *Zinssatz*.

**[falls ein Mindestzinssatz gilt, einfügen:** Wenn der gemäß den obigen Bestimmungen für eine Floating Rate Zinsperiode ermittelte Variable Zinssatz niedriger ist als **[Mindestzinssatz einfügen]**, so ist der Variable Zinssatz für diese Floating Rate Zinsperiode **[Mindestzinssatz einfügen]**.**]**

**[falls ein Höchstzinssatz gilt, einfügen:** Wenn der gemäß den obigen Bestimmungen für eine Floating Rate Zinsperiode ermittelte Variable Zinssatz höher ist als **[Höchstzinssatz einfügen]**, so ist der Variable Zinssatz für diese Floating Rate Zinsperiode **[Höchstzinssatz einfügen]**.**]**

**[**(e)**]** *Zinsbetrag*. Die Berechnungsstelle wird zu oder baldmöglichst nach jedem Zeitpunkt, an dem der Variable Zinssatz zu bestimmen ist, den Variablen Zinssatz bestimmen und den zahlbaren Zinsbetrag in Bezug auf die Festgelegte Stückelung (der "**Variable Zinsbetrag**") für die entsprechende Floating Rate Zinsperiode berechnen. Der Variable Zinsbetrag wird errechnet, indem der Variable Zinssatz und der Zinstagequotient (Floating Rate) (wie nachstehend in Unterabsatz **[**(h)**]** definiert) auf die Festgelegte Stückelung angewendet werden, wobei der resultierende Betrag auf die kleinste Einheit der Festgelegten Währung auf- oder abgerundet wird, wobei 0,5 solcher Einheiten aufgerundet werden.

**[**(f)**]** *Mitteilung des Variablen Zinssatzes und des variablen Zinsbetrags*. Die Berechnungsstelle wird veranlassen, dass der Variable Zinssatz, jeder Variable Zinsbetrag für jede Floating Rate Zinsperiode, jede Floating Rate Zinsperiode und der maßgebliche Floating Rate Zinszahlungstag der Emittentin **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V.,Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** und der Garantin**]**, sowie den Gläubigern gemäß § **[**15**]** baldmöglichst, aber keinesfalls später als am vierten auf die Berechnung jeweils folgenden **[**London**][**TARGET**] [relevantes Finanzzentrum einfügen]** Geschäftstag (wie in § 3 Absatz 2 definiert) und jeder Börse, an der die betreffenden Schuldverschreibungen zu diesem Zeitpunkt notiert sind und deren Regeln eine Mitteilung an die Börse verlangen, baldmöglichst nach der Festlegung, aber keinesfalls später als zu Beginn der jeweiligen Floating Rate Zinsperiode mitgeteilt werden. Im Falle einer Verlängerung oder Verkürzung der Floating Rate Zinsperiode können der mitgeteilte Variable Zinsbetrag und Floating Rate Zinszahlungstag nachträglich angepasst (oder andere geeignete Anpassungsregelungen getroffen) werden, ohne dass diesbezüglich eine Mitteilung erforderlich ist. Jede solche

Anpassung wird umgehend der Emittentin, allen Börsen, an denen die Schuldverschreibungen zu diesem Zeitpunkt notiert sind sowie den Gläubigern gemäß § **[**15**]** mitgeteilt.

**[**(g)**]** *Verbindlichkeit der Festsetzungen*. Alle Bescheinigungen, Mitteilungen, Gutachten, Festsetzungen, Berechnungen, Quotierungen und Entscheidungen, die von der Berechnungsstelle für die Zwecke dieses § 3 gemacht, abgegeben, getroffen oder eingeholt werden, sind (sofern nicht ein offensichtlicher Irrtum vorliegt) für die Emittentin, **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** die Garantin,**]** die Emissionsstelle, die Zahlstellen und die Gläubiger bindend.

**[**(h)**]** *Zinstagequotient (Floating Rate).* "**Zinstagequotient (Floating Rate)**" bezeichnet bezüglich der Berechnung des Variablen Zinsbetrages auf eine Schuldverschreibung für einen beliebigen Zeitraum (der "**Zinsberechnungszeitraum**"):

**Im Fall von Actual/Actual (ISDA) einfügen:**

**[**die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum, dividiert durch 365 (oder, falls ein Teil dieses Zinsberechnungszeitraums in ein Schaltjahr fällt, die Summe aus (A) der tatsächlichen Anzahl der in das Schaltjahr fallenden Tage des Zinsberechnungszeitraums dividiert durch 366 und (B) der tatsächlichen Anzahl der nicht in das Schaltjahr fallenden Tage des Zinsberechnungszeitraums dividiert durch 365).**]**

**Im Fall von Actual/Actual (ICMA) einfügen:**

**[**1. Wenn der Zinsberechnungszeitraum (einschließlich des ersten, aber ausschließlich des letzten Tages dieser Periode) kürzer ist als die Feststellungsperiode, in die das Ende des Zinsberechnungszeitraums fällt oder ihr entspricht, die Anzahl der Tage in dem betreffenden Zinsberechnungszeitraum (einschließlich des ersten aber ausschließlich des letzten Tages dieser Periode) geteilt durch das Produkt (1) der Anzahl der Tage in der Feststellungsperiode und (2) der Anzahl der Floating Rate Zinszahlungstage, die in ein Kalenderjahr fallen oder fallen würden, falls Zinsen für das gesamte betreffende Jahr zu zahlen wären; oder

2. wenn der Zinsberechnungszeitraum (einschließlich des ersten, aber ausschließlich des letzten Tages dieser Periode) länger ist als die Feststellungsperiode, in die das Ende des Zinsberechnungszeitraums fällt, die Summe (A) der Anzahl der Tage in dem Zinsberechnungszeitraum, die in die Feststellungsperiode fallen, in welcher der Zinsberechnungszeitraum beginnt, geteilt durch das Produkt (1) der Anzahl der Tage in dieser Feststellungsperiode und (2) der Anzahl der Floating Rate Zinszahlungstage, die in ein Kalenderjahr fallen oder fallen würden, falls Zinsen für das gesamte betreffende Jahr zu zahlen wären und (B) der Anzahl der Tage in dem Zinsberechnungszeitraum, die in die nächste Feststellungsperiode fallen, geteilt durch das Produkt (1) der Anzahl der Tage in dieser Feststellungsperiode und (2) der Anzahl der Floating Rate Zinszahlungstage, die in ein Kalenderjahr fallen oder fallen würden, falls Zinsen für das gesamte betreffende Jahr zu zahlen wären.

Für die Zwecke dieses Unterabsatzes **[**(h)**]** bezeichnet "**Feststellungsperiode**" den Zeitraum ab dem Floating Rate Verzinsungsbeginn (einschließlich) bis zum ersten Floating Rate Zinszahlungstag (ausschließlich) oder von jedem Floating Rate Zinszahlungstag (einschließlich) bis zum nächsten Floating Rate Zinszahlungstag (ausschließlich). **[im Falle eines ersten oder letzten kurzen Zinsberechnungszeitraums einfügen**: Zum Zwecke der Bestimmung der maßgeblichen Feststellungsperiode

gilt der **[Fiktiven Floating Rate Verzinsungsbeginn oder Fiktiven Floating Rate Zinszahlungstag einfügen]** als **[**Floating Rate Verzinsungsbeginn**][** Floating Rate Zinszahlungstag**].] [Im Falle eines ersten oder letzten langen Zinsberechnungszeitraums einfügen**: Zum Zwecke der Bestimmung der maßgeblichen Feststellungsperiode gelten **[**der**] [Fiktiven Floating Rate Verzinsungsbeginn oder Fiktive(n) Floating Rate Zinszahlungstag(e) einfügen]** jeweils als **[**Floating Rate Verzinsungsbeginn**][**Floating Rate Zinszahlungstag**[**e**]].]]**

**Im Fall von Actual/365 (Fixed) einfügen:**

**[**die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 365.**]**

**Im Fall von Actual/360 einfügen:**

**[**die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 360.**]**

**Im Fall von 30/360, 360/360 oder Bond Basis einfügen:**

**[**die Anzahl von Tagen im Zinsberechnungszeitraum dividiert durch 360, wobei die Anzahl der Tage auf der Grundlage eines Jahres von 360 Tagen mit zwölf Monaten zu je 30 Tagen zu ermitteln ist (es sei denn, (A) der letzte Tag des Zinsberechnungszeitraumes fällt auf den 31. Tag eines Monates, während der erste Tag des Zinsberechnungszeitraumes weder auf den 30. Noch den 31. Tag eines Monats fällt, wobei in diesem Fall der diesen letzten Tag enthaltende Monat nicht als ein auf 30 Tage gekürzter Monat zu behandeln ist, oder (B) der letzte Tag des Zinsberechnungszeitraumes fällt auf den letzten Tag des Monats Februar, wobei in diesem Fall der Monat Februar nicht als ein auf 30 Tage verlängerter Monat zu behandeln ist).**]**

**Im Fall von 30E/360 oder Eurobond Basis einfügen:**

**[**die Anzahl der Tage im Zinsberechnungszeitraum dividiert durch 360 (dabei ist die Anzahl der Tage auf der Grundlage eines Jahres von 360 Tagen mit 12 Monaten zu je 30 Tagen zu ermitteln, und zwar ohne Berücksichtigung des ersten oder letzten Tages des Zinsberechnungszeitraumes, es sei denn, dass im Falle eines am Fälligkeitstag endenden Zinsberechnungszeitraums der Fälligkeitstag der letzte Tag des Monats Februar ist, in welchem Fall der Monat Februar als nicht auf einen Monat zu 30 Tagen verlängert gilt).**]**

(3) *Auflaufende Zinsen*. Falls die Emittentin die Schuldverschreibungen bei Fälligkeit nicht einlöst, endet die Verzinsung der Schuldverschreibungen nicht am Fälligkeitstag, sondern erst mit der tatsächlichen Rückzahlung der Schuldverschreibungen, spätestens jedoch mit Ablauf des vierzehnten Tages nach der Bekanntmachung durch die Emissionsstelle gemäß § **[**15**]**, dass ihr die Rückzahlung der Schuldverschreibungen erforderlichen Mittel zur Verfügung gestellt worden sind. Der maßgebliche Zinssatz entspricht dem gesetzlich festgelegten Satz für Verzugszinsen[1].

## § 4
## RÜCKZAHLUNG

Soweit nicht zuvor bereits ganz oder teilweise zurückgezahlt oder angekauft und entwertet, werden die Schuldverschreibungen zu ihrem Rückzahlungsbetrag am **[bei Vorliegen eines festgelegten Fälligkeitstages den Fälligkeitstag einfügen] [im Falle eines Rückzahlungsmonats einfügen:** an dem in den **[Rückzahlungsmonat und Jahr einfügen]** fallenden Floating Rate Zinszahlungstag**]]** (der "**Fälligkeitstag**") zurückgezahlt. Der Rückzahlungsbetrag in Bezug auf die Schuldverschreibungen beträgt **[Rückzahlungsbetrag einfügen]**[2] pro Festgelegter Stückelung.

## § 5

[1] Der gesetzliche Verzugszinssatz beträgt für das Jahr fünf Prozentpunkte über dem von der Deutsche Bundesbank von Zeit zu Zeit veröffentlichten Basiszinssatz, §§ 288 Absatz 1, 247 BGB.

[2] Der Rückzahlungsbetrag soll mindestens dem Nennbetrag entsprechen.

**VORZEITIGE RÜCKZAHLUNG**

(1) *Vorzeitige Rückzahlung aus Steuergründen.* Falls die Emittentin **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** oder die Garantin**]** als Folge einer Ergänzung oder Änderung der Steuer- und Abgabengesetze und –vorschriften **[bei von Volkswagen Financial Services N.V. begebenen Schuldverschreibungen einfügen:** der Niederlande oder **[bei von Volkswagen Financial Services Japan Ltd. begebenen Schuldverschreibungen einfügen:** Japan oder**] [bei von Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** dem Commonwealth von Australien oder**]** der Bundesrepublik Deutschland oder deren politischen Untergliederungen oder Steuerbehörden oder als Folge einer Ergänzung oder Änderung der Anwendung oder der offiziellen Auslegung dieser Gesetze und Vorschriften, und diese Ergänzung oder Änderung am oder nach dem **[Ausgabetag einfügen]** wirksam werden, zur Zahlung von Zusätzlichen Beträgen (wie in § 8 dieser Anleihebedingungen **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** bzw. in der Garantie**]** definiert) an dem nächstfolgenden Festzinszahlungstag (wie in § 3 (1) definiert) oder gegebenenfalls an dem nächstfolgenden Floating Rate Zinszahlungstag (wie in § 3 (2) definiert) verpflichtet ist und diese Verpflichtung nicht durch das Ergreifen vernünftiger der Emittentin **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** oder der Garantin**]** zur Verfügung stehender Maßnahmen vermieden werden kann, können die Schuldverschreibungen insgesamt, jedoch nicht teilweise, nach Wahl der Emittentin mit einer Kündigungsfrist von nicht weniger als 30 und nicht mehr als 60 Tagen gekündigt und zum vorgesehenen Vorzeitigen Rückzahlungsbetrag (wie nachstehend definiert) zuzüglich bis zum für die Rückzahlung festgesetzten Tag aufgelaufener Zinsen zurückgezahlt werden.

Eine solche Kündigung darf allerdings (i) nicht früher als 90 Tage vor dem frühestmöglichen Termin erfolgen, an dem die Emittentin **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** oder die Garantin**]** verpflichtet wäre, solche Zusätzlichen Beträge zu zahlen oder solche Abzüge oder Einbehalte in Bezug auf die fälligen Schuldverschreibungen vorzunehmen, und (ii) zu dem Zeitpunkt, zu dem die Kündigung erfolgt, muss die Verpflichtung zur Zahlung von Zusätzlichen Beträgen oder zur Vornahme der genannten Abzüge oder Einbehalte noch wirksam sein. Sofern der für die Rückzahlung festgelegte Termin in eine Floating Rate Zinsperiode (wie in § 3 (2) (c) definiert) fällt, muss der für die Rückzahlung festgelegte Termin ein Floating Rate Zinszahlungstag sein.

Eine solche Kündigung hat gemäß § **[**15**]** zu erfolgen. Sie ist unwiderruflich, muss den für die Rückzahlung festgelegten Termin nennen und eine zusammenfassende Erklärung enthalten, welche die das Rückzahlungsrecht der Emittentin begründenden Umstände (der "**Kündigungsgrund**") darlegt; des weiteren ist eine Bescheinigung darüber beizufügen, dass es der Emittentin **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited**

**begebenen Schuldverschreibungen einfügen:** bzw., soweit sich der Kündigungsgrund auf nicht vermeidbare Zahlungen in Bezug auf die Garantie bezieht, der Garantin**]** nach ihrem Ermessen nicht möglich ist, durch die Ergreifung angemessener, ihr zur Verfügung stehender Maßnahmen das Eintreten oder das Fortbestehen des Kündigungsgrundes zu vermeiden.

**Falls die Schuldverschreibungen einer Vorzeitigen Rückzahlungen aufgrund eines Referenzwert-Ereignisses unterliegen, einfügen:**

**[**(2) *Vorzeitige Rückzahlung aufgrund eines Referenzwert-Ereignisses.* Die Schuldverschreibungen können jederzeit insgesamt, jedoch nicht teilweise, nach Wahl der Emittentin mit einer Kündigungsfrist von nicht weniger als 30 und nicht mehr als 60 Tagen vorzeitig gekündigt und zu ihrem Vorzeitigen Rückzahlungsbetrag (wie nachstehend definiert) zuzüglich bis zum für die Rückzahlung festgelegten Tag aufgelaufener Zinsen zurückgezahlt werden, falls ein Referenzwert-Ereignis (wie in § 3(2) definiert) eingetreten ist und es nach Auffassung der Emittentin nicht möglich ist, einen Nachfolge-Referenzsatz wie in §3(2) beschrieben gemäß der Punkte I bis IV zu bestimmen.

Eine solche Kündigung hat gemäß § **[**15**]** zu erfolgen. Sie ist unwiderruflich, muss den für die Rückzahlung festgelegten Termin nennen und eine zusammenfassende Erklärung enthalten, welche die das Rückzahlungsrecht der Emittentin begründenden Umstände darlegt.**]**

**Falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen vorzeitig zurückzuzahlen, einfügen:**

**[[**(3)**]** *Vorzeitige Rückzahlung nach Wahl der Emittentin.*

(a) Die Emittentin kann, nachdem sie gemäß Unterabsatz (b) gekündigt hat, alle Schuldverschreibungen oder einen Teil derselben am/an den Wahl- Rückzahlungstag(en) (Call) oder jederzeit danach bis zum jeweils nachfolgenden Wahl-Rückzahlungstag (ausschließlich) zum/zu den jeweiligen Wahl-Rückzahlungsbetrag bzw. –beträgen (Call), wie nachstehend angegeben, nebst etwaigen bis zum jeweiligen Wahl-Rückzahlungstag (Call) (ausschließlich) aufgelaufenen Zinsen zurückzahlen. **[bei Geltung eines Mindestrückzahlungsbetrages oder eines erhöhten Rückzahlungsbetrages einfügen:** Eine solche Rückzahlung muss in Höhe eines Nennbetrages von **[**mindestens **[Mindestrückzahlungsbetrag einfügen]] [erhöhten Rückzahlungsbetrag einfügen]** erfolgen**].]**

| Wahl-Rückzahlungstag(e) (Call) **[Wahl-Rückzahlungstag(e) einfügen]** | Wahl-Rückzahlungsbetrag/-beträge (Call) **[Wahl-Rückzahlungsbeträge einfügen]** |
|---|---|
| **[**_____**]** | **[**_____**]** |
| **[**_____**]** | **[**_____**]** |

**[falls der Gläubiger ein Wahlrecht hat, die Schuldverschreibungen vorzeitig zu kündigen, einfügen:** Der Emittentin steht dieses Wahlrecht nicht in Bezug auf eine Schuldverschreibung zu, deren Rückzahlung bereits der Gläubiger in Ausübung seines Wahlrechts nach diesem § 5 Absatz 4 verlangt hat.**]**

(b) Die Kündigung ist den Gläubigern durch die Emittentin gemäß § **[**15**]** bekannt zu geben. Sie beinhaltet die folgenden Angaben:

(i) die Serie von Schuldverschreibungen, die Gegenstand der Rückzahlung ist;

(ii) ob diese Serie ganz oder teilweise zurückgezahlt wird und im letzteren Fall den Gesamtnennbetrag der zurückzuzahlenden Schuldverschreibungen;

(iii) den Wahl-Rückzahlungstag (Call), der nicht weniger als

**[Mindestkündigungsfrist gegenüber den Gläubigern einfügen]** und nicht mehr als **[Höchstkündigungsfrist gegenüber den Gläubigern einfügen]** Tage nach dem Tag der Kündigung gegenüber den Gläubigern liegen darf; und

(iv) den Wahl-Rückzahlungsbetrag (Call), zu dem die Schuldverschreibungen zurückgezahlt werden.

**[im Falle von durch eine Dauerglobalurkunde verbrieften Schuldverschreibungen einfügen:** Die durch eine Dauerglobalurkunde verbrieften Schuldverschreibungen werden in Übereinstimmung mit den Regeln des betreffenden Clearingsystems ausgewählt. **[Falls die Schuldverschreibungen in Form einer NGN begeben werden, einfügen:** Die teilweise Rückzahlung wird in den Registern von CBL und Euroclear nach deren Ermessen entweder als Pool-Faktor oder als Reduzierung des Gesamtnennbetrags wiedergegeben.**]]]**

**Falls der Gläubiger ein Wahlrecht hat, die Schuldverschreibungen vorzeitig zu kündigen, einfügen:**

**[[**(4)**]** *Vorzeitige Rückzahlung nach Wahl des Gläubigers*.

(a) Die Emittentin hat eine Schuldverschreibung nach Ausübung des entsprechenden Wahlrechts durch den Gläubiger am/an den Wahl-Rückzahlungstag(en) (Put) zum/zu den Wahl-Rückzahlungsbetrag/-beträgen (Put) nebst etwaigen bis zum Wahl-Rückzahlungstag (Put) (ausschließlich) aufgelaufenen Zinsen zurückzuzahlen.

| Wahl-Rückzahlungstag(e) (Put) **[Wahl-Rückzahlungstag(e) einfügen]** | Wahl-Rückzahlungsbetrag/-beträge (Put) **[Wahl-Rückzahlungs(betrag) bzw. Wahl-Rückzahlungsbeträge einfügen]** |
|---|---|
| **[ ]** | **[ ]** |
| **[ ]** | **[ ]** |

Dem Gläubiger steht dieses Wahlrecht nicht in Bezug auf eine Schuldverschreibung zu, deren Rückzahlung bereits die Emittentin in Ausübung ihres Wahlrechts nach diesem § 5 verlangt hat.

(b) Um dieses Wahlrecht auszuüben, hat der Gläubiger nicht weniger als **[Mindestkündigungsfrist gegenüber der Emittentin einfügen]** Tage und nicht mehr als **[Höchstkündigungsfrist gegenüber der Emittentin einfügen]** Tage vor dem Wahl-Rückzahlungstag (Put), an dem die Rückzahlung gemäß der Ausübungserklärung (wie nachstehend definiert) erfolgen soll, an die bezeichnete Geschäftsstelle einer Zahlstelle eine Mitteilung in Textform (z.B. eMail oder Fax) oder schriftlich zur vorzeitigen Rückzahlung ("**Ausübungserklärung**") zu schicken, wie sie bei der bezeichneten Geschäftsstelle einer Zahlstelle erhältlich ist. Eine Ausübung des Wahlrechts kann nicht widerrufen werden .**]**

**[**(5)**]** *Vorzeitiger Rückzahlungsbetrag.*

Für die Zwecke von Absatz 1 **[Im Falle von Schuldverschreibungen, die einer Vorzeitigen Rückzahlung aufgrund eines Referenzwert-Ereignisses unterliegen, einfügen: [**und**]** Absatz **[**2**]]** des § 5 und § 9 ist der Vorzeitige Rückzahlungsbetrag **[**der Rückzahlungsbetrag**]** **[anderen Vorzeitigen Rückzahlungsbetrag einfügen]**.

## § 6
## ZAHLUNGEN

(1) (a) *Zahlung auf Kapital.*

Zahlungen auf Kapital in Bezug auf Schuldverschreibungen erfolgen nach Maßgabe des nachstehenden Absatzes 2 an das Clearingsystem oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearingsystems gegen Vorlage und Einreichung der Globalurkunde bei der bezeichneten Geschäftsstelle einer der Zahlstellen außerhalb der Vereinigten Staaten.

(b) *Zahlung von Zinsen*. Die Zahlung von Zinsen auf durch eine Dauerglobalurkunde verbriefte Schuldverschreibungen erfolgt nach Maßgabe des nachstehenden Absatzes 2 an das Clearingsystem oder dessen Order zur Gutschrift für die betreffenden Kontoinhaber des Clearingsystems. Zinszahlungen erfolgen nur außerhalb der Vereinigten Staaten.

**Im Falle von auf eine vorläufige Globalurkunde zahlbare Zinsen einfügen:**

**[**Die Zahlung von Zinsen auf durch eine vorläufige Globalurkunde verbriefte Schuldverschreibungen erfolgt nach Maßgabe des nachstehenden Absatzes 2 an das Clearingsystem oder dessen Order zur Gutschrift für die betreffenden Kontoinhaber des Clearingsystems nach ordnungsgemäßer Bescheinigung gemäß § 1 (3) (b).**]]**

(2) *Zahlungsweise.* Vorbehaltlich geltender steuerlicher und sonstiger gesetzlicher Regelungen und Vorschriften erfolgen zu leistende Zahlungen auf Schuldverschreibungen in der Festgelegten Währung.

(3) *Vereinigte Staaten.* Für die Zwecke des **[im Fall von Schuldverschreibungen, die anfänglich durch eine vorläufige Globalurkunde verbrieft sind, einfügen:** § 1 (3) und des**]** Absatzes (1) dieses § 6 bezeichnet "**Vereinigte Staaten**" die Vereinigten Staaten von Amerika (einschließlich deren Bundesstaaten und des District of Columbia) sowie deren Territorien (einschließlich Puerto Rico, die U.S. Virgin Islands, Guam, American Samoa, Wake Island und die Northern Mariana Islands).

(4) *Befreiung*. Die Emittentin **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** bzw. die Garantin**]** wird durch Leistung der Zahlung an das Clearingsystem oder dessen Order von ihrer Zahlungspflicht befreit.

(5) *Zahltag*. Fällt der Fälligkeitstag einer Zahlung in Bezug auf eine Schuldverschreibung auf einen Tag, der kein Zahltag ist, so ist der Gläubiger erst an dem nächstfolgenden Zahltag berechtigt, die Zahlung an diesem Ort zu verlangen und ist nicht berechtigt, weitere Zinsen oder sonstige Ausgleichszahlungen aufgrund dieser Verspätung zu verlangen. Für diese Zwecke bezeichnet "**Zahltag**" einen Tag, der ein Geschäftstag (wie in § 3 (2) (b) definiert) ist.

**Im Falle von Türkischen Lira als die Festgelegte Währung, einfügen:**

**[**(6) *Zahlung des Gegenwerts in U.S.-Dollar*. Für den Fall, dass die Emittentin ungeachtet des Vorstehenden aus irgendwelchen Gründen nicht in der Lage ist, unter den Schuldverschreibungen fällige Kapitalbeträge oder Zinsen (ganz oder teilweise) in Türkischen Lira zu zahlen, wird die Emittentin nach Versendung einer unwiderruflichen Mitteilung frühestens 30 Kalendertage und spätestens fünf Kalendertage vor dem Tag, an dem die Zahlung an die Gläubiger fällig wird, eine solche Zahlung am Fälligkeitstag (ganz oder teilweise) in U.S.-Dollar zum Gegenwert in U.S.-Dollar des auf Türkische Lira lautenden Betrags tätigen. Sofern die Emittentin Zahlungen von Kapital oder Zinsen teilweise in

Türkischen Lira und teilweise in U.S.-Dollar zu tätigen hat, wird sie die Zahlungen an jeden Gläubiger soweit wie möglich im gleichen anteiligen Verhältnis zwischen Türkischen Lira und U.S.-Dollar gemäß den jeweils geltenden Vorschriften des Clearingsystems tätigen.

Für die Zwecke dieser Bedingungen steht der Begriff "Gegenwert in U.S.-Dollar" für den auf der Grundlage des an dem betreffenden Kassakurs-Bestimmungstag geltenden Kassakurses in U.S.-Dollar konvertierten Betrag in Türkische Lira.

"**Geschäftstag**" zu Bestimmungszwecken bedeutet ein Tag (außer Samstag und Sonntag), an dem die Geschäftsbanken in London, New York City, TARGET und Istanbul für den üblichen Geschäftsbetrieb (einschließlich Devisengeschäfte) geöffnet sind.

"**Kassakurs-Bestimmungstag**" bedeutet ein Tag, der drei Geschäftstage zu Bestimmungszwecken vor dem Tag liegt, an dem Zahlungen des betreffenden Betrags gemäß diesen Anleihebedingungen fällig sind;

"**Kassakurs**" (*Spot Rate*) bedeutet der Türkische Lira (TRY) / U.S.-Dollar Wechselkurs (USD) (ausgedrückt in einem Betrag in TRY pro einer Einheit USD), welchen die Berechnungsstelle unter Heranziehung der Reuters Bildschirmseite **"Europe Spots"** (RIC:EFX=) (oder der jeweiligen Nachfolge- oder Ersetzungsanbieter bzw. Nachfolge- oder Ersetzungsseite) um ca. 11.00 Uhr (Istanbuler Zeit) am Kassakurs-Bestimmungstag bestimmt.

Sofern ein solcher Kurs nicht verfügbar ist, wird die Berechnungsstelle den Kassakurs um ca. 11 Uhr (Istanbuler Zeit) anhand des Kassakurs-Bestimmungstag am aktuellsten verfügbaren offiziellen TRY / USD Wechselkurs unter Heranziehung dieser Bildschirmseite bestimmen.

Sämtliche Mitteilungen, Stellungnahmen, Bestimmungen, Bescheinigungen, Berechnungen, Quotierungen oder Entscheidungen, die von der Berechnungsstelle zum Zwecke der Bestimmungen dieses Absatzes gemacht oder getroffen werden, sind (sofern kein Vorsatz, keine Arglist und kein offensichtlicher Irrtum vorliegt) für die Emittentin, die beauftragten Stellen sowie für alle Gläubiger bindend.**]**

(**[**7**]**) *Bezugnahmen auf Zahlungen von Kapital und Zinsen*. Bezugnahmen in diesen Anleihebedingungen auf Kapital der Schuldverschreibungen sollen, soweit anwendbar, folgende Beträge beinhalten: den Rückzahlungsbetrag der Schuldverschreibungen; den Vorzeitigen Rückzahlungsbetrag der Schuldverschreibungen; **[falls die Emittentin das Wahlrecht hat, die Schuldverschreibungen aus anderen als steuerlichen Gründen vorzeitig zurückzuzahlen, einfügen:** den Wahl-Rückzahlungsbetrag (Call) der Schuldverschreibungen;**] [falls der Gläubiger ein Wahlrecht hat, die Schuldverschreibungen vorzeitig zu kündigen, einfügen:** den Wahl-Rückzahlungsbetrag (Put) der Schuldverschreibungen;**]** und jeden Aufschlag sowie sonstige auf oder in Bezug auf die Schuldverschreibungen zahlbare Beträge.

Bezugnahmen in diesen Anleihebedingungen auf Zinszahlungen auf Schuldverschreibungen sollen, soweit anwendbar, sämtliche gemäß § 8 zahlbaren Zusätzlichen Beträge einschließen.

(**[**8**]**) *Hinterlegung von Kapital und Zinsen.* Die Emittentin ist berechtigt, beim Amtsgericht Frankfurt am Main Kapital- oder Zinsbeträge zu hinterlegen, die von den Gläubigern nicht innerhalb von zwölf Monaten nach dem Fälligkeitstag beansprucht worden sind, auch wenn die Gläubiger sich nicht in Annahmeverzug befinden. Falls und soweit eine solche Hinterlegung erfolgt, und auf das Recht der

Rücknahme verzichtet wird, erlöschen die entsprechenden Ansprüche der Gläubiger gegen die Emittentin.

## § 7
## DIE EMISSIONSSTELLE, DIE ZAHLSTELLE[N] UND DIE BERECHNUNGSSTELLE

(1) *Ernennung; Bezeichnete Geschäftsstellen*. Die anfängliche Emissionsstelle, die anfänglichen Zahlstelle**[**n**]** und die anfänglich bestellte Berechnungsstelle und deren bezeichnete Geschäftsstellen lauten wie folgt:

| | | |
|---|---|---|
| Emissionsstelle und Hauptzahlstelle: | | Citibank, N.A.<br>Citigroup Centre<br>Canary Wharf<br>London E14 5LB<br>Vereinigtes Königreich |
| Zahlstelle**[**n**]**: | | **[**Citibank Europe plc, Germany Branch<br>Reuterweg 16<br>60323 Frankfurt am Main<br>Bundesrepublik Deutschland**]** |
| | | **[weitere Zahlstellen und deren bezeichnete Geschäftsstellen einfügen]** |

**Falls die Emissionsstelle als Berechnungsstelle handelt, einfügen:**

**[**Die Emissionsstelle handelt auch als Berechnungsstelle.**]**

**Falls die Emissionsstelle nicht als Berechnungsstelle handelt, einfügen:**

| | |
|---|---|
| **[**Berechnungsstelle: | **[Name und Geschäftsstelle einfügen]]** |

Die Emissionsstelle, die Zahlstelle**[**n**]** und die Berechnungsstelle behalten sich das Recht vor, jederzeit ihre jeweiligen bezeichneten Geschäftsstellen durch andere bezeichnete Geschäftsstellen in derselben Stadt zu ersetzen.

(2) *Änderung der Bestellung oder Abberufung*. Die Emittentin behält sich das Recht vor, jederzeit die Bestellung der Emissionsstelle oder einer Zahlstelle oder der Berechnungsstelle zu ändern oder zu beenden und eine andere Emissionsstelle oder zusätzliche oder andere Zahlstellen oder eine andere Berechnungsstelle zu bestellen. Die Emittentin wird jedoch zu jedem Zeitpunkt (i) eine Emissionsstelle unterhalten **[**,**]** **[**und**]** (ii) zusätzlich zu der Emissionsstelle eine Zahlstelle mit einer bezeichneten Geschäftsstelle in einer kontinentaleuropäischen Stadt, **[für an einer Börse notierte Schuldverschreibungen und soweit die Börsenregeln der betreffenden Börse es erfordern, einfügen: [**,**]** **[**und**]** (iii) solange die Schuldverschreibungen an der **[Name der Börse einfügen]** notiert sind, eine Zahlstelle (die die Emissionsstelle sein kann) mit bezeichneter Geschäftsstelle in **[Ort der Börse einfügen]** und/oder an einem anderen von einer anderen Börse hierfür vorgeschriebenen Ort**]** **[falls die Festgelegte Währung U.S. Dollar ist einfügen: [**,**]** **[**und**]** **[**(iv)**]**, falls Zahlungen bei den oder durch die Geschäftsstellen aller Zahlstellen außerhalb der Vereinigten Staaten (wie in § 6 (3) definiert) aufgrund der Einführung von Devisenbeschränkungen oder ähnlichen Beschränkungen hinsichtlich der vollständigen Zahlung oder des Empfangs der entsprechenden Beträge in US-Dollar widerrechtlich oder tatsächlich ausgeschlossen werden, eine Zahlstelle mit bezeichneter Geschäftsstelle in New York City**]** **[falls die Berechnungsstelle eine bezeichnete Geschäftsstelle an einem**

**vorgeschriebenen Ort haben muss, einfügen: [**,**] [**und**] [**(v)**]** eine Berechnungsstelle mit bezeichneter Geschäftsstelle in **[vorgeschriebenen Ort einfügen]]** unterhalten.

Jede Änderung, Abberufung, Bestellung oder jeder sonstige Wechsel wird nur wirksam (außer im Insolvenzfall, in dem eine solche Änderung sofort wirksam wird), sofern die Gläubiger hierüber gemäß § **[**15**]** vorab unter Einhaltung einer Frist von mindestens 30 und nicht mehr als 45 Tagen informiert wurden.

(3) *Beauftragte der Emittentin.* Die Emissionsstelle, die Zahlstelle**[**n**]** und die Berechnungsstelle handeln ausschließlich als Beauftragte der Emittentin und übernehmen keinerlei Verpflichtungen gegenüber den Gläubigern und es wird kein Auftrags- oder Treuhandverhältnis zwischen ihnen und den Gläubigern begründet.

## § 8
## BESTEUERUNG

Sämtliche in Bezug auf die Schuldverschreibungen zu zahlenden Beträge sind ohne Einbehalt oder Abzug von oder aufgrund von gegenwärtigen oder zukünftigen Steuern, Abgaben oder amtlichen Gebühren zu leisten, die von oder in **[bei von Volkswagen Financial Services N.V. begebenen Schuldverschreibungen einfügen:** den Niederlanden oder**] [bei von Volkswagen Financial Services Japan Ltd. begebenen Schuldverschreibungen einfügen:** Japan oder**] [bei von Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** dem Commonwealth von Australien oder**]** der Bundesrepublik Deutschland oder für deren Rechnung oder von oder für Rechnung einer politischen Untergliederung oder Steuerbehörde der oder in **[**den Niederlanden oder**] [**Japan oder**] [**dem Commonwealth von Australien oder**]** der Bundesrepublik Deutschland oder den Vereinigten Staaten von Amerika oder einer politisch untergeordneten Einheit ("**Quellensteuern**") auferlegt, erhoben oder eingezogen werden, es sei denn, dieser Einbehalt oder Abzug ist gesetzlich vorgeschrieben. In diesem Fall wird die Emittentin, außer in den nachstehend aufgeführten Ausnahmefällen, diejenigen zusätzlichen Beträge (die "**Zusätzlichen Beträge**") zahlen, die erforderlich sind, damit die den Gläubigern auf die Schuldverschreibungen zufließenden Nettobeträge nach diesem Einbehalt oder Abzug jeweils den Beträgen entsprechen, die ohne einen solchen Einbehalt oder Abzug zahlbar wären. Die Verpflichtung zur Zahlung solcher Zusätzlichen Beträge besteht allerdings nicht im Hinblick auf Steuern, Abgaben oder amtliche Gebühren, die:

(1) von einer als Depotbank oder Inkassobeauftragter des Gläubigers handelnden Person oder sonst auf andere Weise zu entrichten sind als dadurch, dass die Emittentin aus den von ihr zu leistenden Zahlungen von Kapital oder Zinsen einen Abzug oder Einbehalt vornimmt; oder

(2) wegen einer Rechtsänderung zu zahlen sind (oder auf Grund einer Änderung der Anwendung oder offiziellen Auslegung eines Gesetzes oder einer Vorschrift), welche später als 30 Tage nach Fälligkeit der betreffenden Zahlung oder, wenn dies später erfolgt, ordnungsgemäßer Bereitstellung aller fälligen Beträge und einer diesbezüglichen Bekanntmachung gemäß § **[**15**]** wirksam wird; oder

(3) von einer Zahlstelle abgezogen oder einbehalten werden, wenn eine andere Zahlstelle die Zahlung ohne einen solchen Einbehalt oder Abzug hätte leisten können; oder

(4) wegen einer gegenwärtigen oder früheren persönlichen oder geschäftlichen Beziehung des Gläubigers zu **[bei von Volkswagen Financial Services N.V. begebenen Schuldverschreibungen einfügen:** den Niederlanden oder**] [bei von Volkswagen Financial Services Japan Ltd. begebenen Schuldverschreibungen**

**einfügen:** Japan oder**] [bei von Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** dem Commonwealth von Australien oder**]** der Bundesrepublik Deutschland zu zahlen sind und nicht allein aufgrund der Tatsache, dass Zahlungen in Bezug auf die Schuldverschreibungen **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** oder aus der Garantie (wie in § 10 definiert)**]** aus **[bei von Volkswagen Financial Services N.V. begebenen Schuldverschreibungen einfügen:** den Niederlanden oder aus**] [bei von Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** dem Commonwealth von Australien oder aus**]** der Bundesrepublik Deutschland stammen oder steuerlich so behandelt werden, oder dort besichert sind; oder

(5) aufgrund (i) einer Richtlinie oder Verordnung der Europäischen Union betreffend die Besteuerung von Zinserträgen oder (ii) einer zwischenstaatlichen Vereinbarung über deren Besteuerung, an der **[im Falle von Schuldverschreibungen, die von Volkswagen Financial Services N.V. begeben werden, einfügen:** die Niederlande oder**] [im Falle von Schuldverschreibungen, die von Volkswagen Financial Services Japan Ltd. begebenen Schuldverschreibungen, einfügen:** Japan oder**] [bei von Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** dem Commonwealth von Australien oder**]** die Bundesrepublik Deutschland oder die Europäische Union beteiligt ist, oder (iii) einer gesetzlichen Vorschrift, die diese Richtlinie, Verordnung oder Vereinbarung umsetzt oder befolgt, abzuziehen oder einzubehalten sind, oder (iv) der Abschnitte 1471 bis 1474 des U.S. Internal Revenue Codes von 1986, in seiner jeweils gültigen Fassung, und gegenwärtigen oder zukünftigen Regelungen oder seiner offiziellen Auslegungen oder Verträgen unter ihm (einschließlich, ohne Beschränkung, einer jeden zwischenstaatlichen Vereinbarung zwischen den Vereinigten Staaten und einer anderen Jurisdiktion oder gemäß jeder Vereinbarung, gesetzlichen Regelung, Verordnung oder anderen offiziellen Verlautbarungen zur Umsetzung solcher zwischenstaatlicher Vereinbarungen) ("**FATCA**"); **[**oder**]**

(6) nicht zu entrichten wären, wenn die Schuldverschreibungen bei einem Kreditinstitut verwahrt und die Zahlungen von diesem eingezogen worden wären**[**.**][**; oder**]**

**Im Falle von Schuldverschreibungen, die von VWFSJ begeben werden, einfügen:**

**[**(7) in Bezug auf eine Zahlung hinsichtlich durch die VWFSJ begebene Schuldverschreibungen zahlbar sind, bei der der auf die Schuldverschreibung zahlbare Zinsbetrag unter Einbeziehung bestimmter Indikatoren (gemäß der ministeriellen Verordnung zu Artikel 6 Absatz 4 des japanischen Gesetzes über besondere Besteuerungsmaßnahmen (*Special Taxation Measures Law of Japan*) (das "**Japanische Gesetz über besondere Besteuerungsmaßnahmen**")) in Bezug auf VWFSJ oder auf Personen oder Unternehmen, die in einer besonderen Beziehung zur VWFSJ stehen, entsprechend Artikel 6 Absatz 4 des Japanischen Gesetzes über besondere Besteuerungsmaßnahmen (eine "**Person mit besonderer Beziehung zur VWFSJ**"), berechnet wird, es sei denn, der Zinsempfänger ist ein japanisches anerkanntes Finanzinstitut (*designated financial institution*) gemäß Artikel 6 Absatz 9 des Japanischen Gesetzes über besondere Besteuerungsmaßnahmen, das die Anforderungen jenes Absatzes erfüllt hat; oder

(8) gemäß dem Japanischen Gesetz über besondere Besteuerungsmaßnahmen in Bezug auf eine Zahlung hinsichtlich von der VWFSJ begebenen Schuldverschreibungen abgezogen

oder einbehalten werden. Zinszahlungen auf die Schuldverschreibungen, die an eine Person mit Wohnsitz in Japan, an eine japanische Gesellschaft (mit Ausnahme (i) eines japanischen anerkannten Finanzinstituts (*designated financial institution*) gemäß Artikel 6 Absatz 9 des Gesetzes über besondere Besteuerungsmaßnahmen, das die Anforderungen jenes Absatzes erfüllt hat und (ii) an eine Kapitalgesellschaft, ein Finanzinstitut oder ein Finanzdienstleistungsunternehmen in Japan gemäß Artikel 3-3 Absatz 6 des Japanischen Gesetzes über besondere Besteuerungsmaßnahmen, welches die Zinszahlungen durch ihren Zahlungsdienstleisters (*payment handling agent*) erhält und die Voraussetzungen für Steuerausnahmen (*tax exemption*) jenes Absatzes erfüllt) erfolgen sollen oder an eine Person, die keinen Wohnsitz in Japan hat, bzw. eine nicht-japanische Gesellschaft, die in beiden Fällen eine Person mit besonderer Beziehung zur VWFSJ ist, werden abzüglich der japanischen Einkommensteuer in Höhe von 15 Prozent (für den Zeitraum vom 1. Januar 2013 bis zum 31. Dezember 2037 15,315 Prozent) erfolgen.**]**

**Im Falle von Schuldverschreibungen, die von Volkswagen Financial Services Australia Pty Limited begeben werden, einfügen:**

**[**(7) aufgrund der Tatsache zahlbar sind, dass der Gläubiger eine Person ist, die den Abzug oder Einbehalt rechtmäßigerweise dadurch vermeiden könnte (aber nicht vermieden hat), dass er Vorschriften beachtet oder dafür sorgt, dass ein Dritter allen gesetzlichen Voraussetzungen nachkommt oder dadurch, dass er eine Nichtansässigkeitserklärung oder einen ähnlichen Antrag auf Steuerbefreiung gegenüber einer Steuerbehörde am Zahlort abgibt, an dem die jeweilige Schuldverschreibung zur Zahlung vorgelegt wird, oder dafür sorgt, dass ein Dritter dieses unternimmt; oder

(8) aufgrund der Tatsache zahlbar sind, dass der Gläubiger (oder eine Person, die den Gläubiger vertritt) eine Australian Business Number, eine Australian Tax File Number oder Angaben zu einer etwaigen Freistellung von diesen Vorschriften liefert; oder

(9) aufgrund der Tatsache zahlbar sind, dass der Australian Commissioner of Taxation eine Bekanntmachung gemäß § 255 des Australischen Income Tax Assessment Act 1936 oder § 260-5 des Anhang Eins des Australischen Tax Administration Act 1953 veröffentlicht; oder

(10) aufgrund der Tatsache zahlbar sind, dass der Gläubiger, oder eine Person die ein Interesse an den Schuldverschreibungen hat, ein Offshore Associate der Emittentin ist, aber nicht in der Eigenschaft als Clearingstelle, Zahlstelle, Verwahrstelle, Fondsmanager oder zuständige Stelle eines registrierten Systems im Sinne des australischen Corporations Act 2001 handelt. "**Offshore Associate**" meint einen Associate der Emittentin (wie in § 128F (9) des Australischen Income Tax Assessment Act 1936 definiert), der entweder:

(a) nicht in Australien ansässig ist, der die Schuldverschreibungen nicht im Zusammenhang mit der Ausübung einer Geschäftstätigkeit an einer Betriebsstätte oder durch eine Betriebsstätte in Australien erwirbt oder ein Interesse an den Schuldverschreibungen hat, oder

(b) in Australien ansässig ist, der die Schuldverschreibungen im Zusammenhang mit der Ausübung einer Geschäftstätigkeit an einer Betriebsstätte oder durch eine Betriebsstätte außerhalb von Australien erwirbt oder ein Interesse an den Schuldverschreibungen hat.**]**

## § 9
## KÜNDIGUNGSRECHT

(1) *Kündigungsgründe.* Jeder Gläubiger ist berechtigt, seine

Schuldverschreibungen zu kündigen und deren sofortige Rückzahlung zum Vorzeitigen Rückzahlungsbetrag (wie in § 5 Absatz **[**5**]** beschrieben) zuzüglich etwaiger aufgelaufener Zinsen bis zum Tag der Rückzahlung zu verlangen, falls:

(a) bezüglich der Schuldverschreibungen zahlbare Beträge nicht innerhalb von 30 Tagen nach dem jeweiligen Fälligkeitstag gezahlt wurden; oder

(b) die Emittentin die Erfüllung irgendeiner anderen Verpflichtung aus den Schuldverschreibungen **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** oder die Garantin die Erfüllung einer Verpflichtung aus der in der Garantie enthaltenen Verpflichtungserklärung (wie in § 10 definiert)**]** unterlässt und die Unterlassung, sofern diese nicht geheilt wurde, länger als 90 Tage fortdauert, nachdem die Emissionsstelle hierüber eine Benachrichtigung von einem Gläubiger erhalten hat; oder

(c) die Emittentin **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** oder die Garantin**]** ihre Zahlungsunfähigkeit bekannt gibt; oder

(d) ein Gericht ein Konkurs- oder sonstiges Insolvenzverfahren gegen die Emittentin **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** oder die Garantin**]** eröffnet, ein solches Verfahren eingeleitet und nicht innerhalb von 60 Tagen aufgehoben oder ausgesetzt worden ist, oder die Emittentin **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** oder die Garantin**]** ein solches Verfahren beantragt oder einleitet **[bei von Volkswagen Financial Services N.V. begebenen Schuldverschreibungen einfügen:** oder die Emittentin ein "*Surseance van Betaling*" (im Sinne der Konkursgesetze der Niederlande ("*Faillissementswet*") beantragt**]**; oder

(e) die Emittentin **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** oder die Garantin**]** in Liquidation tritt, es sei denn, dies geschieht im Zusammenhang mit einer Verschmelzung, Zusammenlegung oder anderen Form des Zusammenschlusses mit einer anderen Gesellschaft und die andere oder neue Gesellschaft übernimmt alle Verpflichtungen, die die Emittentin **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** bzw. die Garantin**]** im Zusammenhang mit dieser Anleihe eingegangen ist**[.] [**; oder**]**

**[Bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:**

(f) die Garantie erlischt.**]**

(2) *Erlöschen*. Das Kündigungsrecht erlischt, falls der Kündigungsgrund vor Ausübung des Rechts geheilt wurde.

(3) *Mitteilung*. Eine Benachrichtigung einschließlich einer Kündigung hat nach diesem § 9 in Textform (z.B. eMail oder Fax) oder schriftlich in deutscher oder englischer Sprache durch an die festgelegte Niederlassung der Emissionsstelle zu erfolgen; darin ist der Kapitalbetrag der betreffenden Schuldverschreibungen anzugeben und ein den Anforderungen der Emissionsstelle genügender Nachweis über das Eigentum an den Schuldverschreibungen beizufügen.

## § 10
## NEGATIVVERPFLICHTUNG DER EMITTENTIN [, GARANTIE UND VERPFLICHTUNG DER GARANTIN]

(1) *Negativverpflichtung.* Die Emittentin verpflichtet sich, solange Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen der Emissionsstelle zur Verfügung gestellt worden sind, für andere Schuldverschreibungen oder Anleihen, einschließlich einer dafür übernommenen Garantie oder Gewährleistung, keine Sicherheiten an ihrem Vermögen zu bestellen, ohne gleichzeitig und im gleichen Rang die Gläubiger dieser Schuldverschreibungen an solchen Sicherheiten teilnehmen zu lassen. Zur Vermeidung etwaiger Zweifel, die Verpflichtung in diesem § 10 gilt nicht in Bezug auf Sicherheiten, die in Zusammenhang mit von Tochtergesellschaften der Volkswagen Financial Services AG begebenen *asset-backed-securities* (strukturierte Wertpapiere, die mit Vermögenswerten besichert sind) gestellt werden oder für *asset-backed-securities*, die von einer Zweckgesellschaft begeben werden, bei denen die Emittentin die ursprüngliche Inhaberin der zugrunde liegenden Vermögenswerte ist.

**[Bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:**

(2) *Garantie.* Volkswagen Financial Services Aktiengesellschaft (die "**Garantin**") hat die unbedingte und unwiderrufliche Garantie (die "**Garantie**") für die ordnungsgemäße Zahlung der Beträge, die Kapital und Zinsen der Schuldverschreibungen entsprechen, übernommen. Darüber hinaus hat sich die Garantin in dieser Garantie verpflichtet (die "**Verpflichtungserklärung**"), solange Schuldverschreibungen ausstehen, jedoch nur bis zum Zeitpunkt, an dem alle Beträge an Kapital und Zinsen der Zahlstelle zur Verfügung gestellt worden sind, für andere Anleiheemissionen, einschließlich dafür übernommener Garantien oder Gewährleistungen, keine Sicherheiten an ihrem Vermögen zu bestellen, ohne gleichzeitig und im gleichen Rang die Gläubiger dieser Schuldverschreibungen an solchen Sicherheiten teilnehmen zu lassen. Zur Vermeidung etwaiger Zweifel, die Verpflichtungserklärung in diesem § 10 gilt nicht in Bezug auf Sicherheiten, die in Zusammenhang mit von einer Tochtergesellschaft der Garantin begebenen *asset-backed-securities* (strukturierte Wertpapiere, die mit Vermögenswerten besichert sind) gestellt werden oder für *asset-backed-securities*, die von einer Zweckgesellschaft begeben werden, bei denen eine Tochtergesellschaft der Garantin die ursprüngliche Inhaberin der zugrunde liegenden Vermögenswerte ist.

Die Garantie stellt einen Vertrag zu Gunsten eines jeden Gläubigers als begünstigtem Dritten gemäß § 328 Absatz (1) BGB dar, welcher das Recht eines jeden Gläubigers begründet, Erfüllung aus der Garantie unmittelbar von der Garantin zu verlangen und die

Garantie unmittelbar gegenüber der Garantin durchzusetzen. Kopien der Garantie können kostenlos am Sitz der Garantin und bei der bezeichneten Geschäftsstelle der Emissionsstelle gemäß § 7 bezogen werden.

"**Anleiheemission**" ist eine Emission von Schuldverschreibungen, die an einer Wertpapierbörse, im Freiverkehr oder an einem anderen Wertpapiermarkt notiert, eingeführt oder gehandelt werden bzw. notiert, eingeführt oder gehandelt werden sollen oder können.

## § 11
## ERSETZUNG DER EMITTENTIN

(1) *Ersetzung.* Die Emittentin ist jederzeit berechtigt, ohne Zustimmung der Gläubiger, **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** entweder die Garantin oder**]** eine andere Gesellschaft, deren stimmberechtigte Aktien oder andere Anteilsrechte direkt oder indirekt zu mehr als 90% von **[bei von Volkswagen Financial Services Aktiengesellschaft begebenen Schuldverschreibungen einfügen:** ihr**] [bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** der Garantin**]** gehalten werden, als Hauptschuldnerin für alle Verpflichtungen aus oder im Zusammenhang mit den Schuldverschreibungen an ihre Stelle zu setzen (die "**Nachfolgeschuldnerin**"), sofern die Nachfolgeschuldnerin in der Lage ist, alle Zahlungsverpflichtungen aus oder im Zusammenhang mit den Schuldverschreibungen ohne die Notwendigkeit einer Einbehaltung von irgendwelchen Steuern oder Abgaben an der Quelle zu erfüllen sowie die hierzu erforderlichen Beträge ohne Beschränkungen an die Emissionsstelle zu transferieren. Eine solche Ersetzung ist gemäß § **[**15**]** zu veröffentlichen.

Die Emittentin garantiert unwiderruflich und unbedingt gegenüber den Gläubigern die Zahlung aller von der Nachfolgeschuldnerin auf die Schuldverschreibungen zahlbaren Beträge zu Bedingungen, die den Bedingungen des Musters der nicht nachrangigen Garantie der Emittentin hinsichtlich der nicht nachrangigen Schuldverschreibungen, das im Agency Agreement enthalten ist, entsprechen.

(2) *Bezugnahmen auf die Emittentin.* Im Falle einer solchen Ersetzung gilt jede Nennung der Emittentin in diesen Anleihebedingungen als auf die Nachfolgeschuldnerin bezogen und jede Nennung des Landes, in dem die Emittentin ihren Sitz hat, als auf das Land bezogen, in dem die Nachfolgeschuldnerin ihren Sitz hat.

(3) *Negativerklärung.* **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** Sofern die Garantin die Nachfolgeschuldnerin wird, findet § 10 Absatz 2 keine Anwendung mehr, die Verpflichtungserklärung der Garantin bleibt jedoch für diese bindend.**][bei von Volkswagen Financial Services Aktiengesellschaft begebenen Schuldverschreibungen einfügen:** Wird die Emittentin in ihrer Eigenschaft als Emittentin ersetzt, so bleibt ihre in ihrer Eigenschaft als Emittentin gemäß § 10 Absatz 1 erteilte Negativerklärung für sie bindend.**]**

**Im Fall von Schuldverschreibungen, die Beschlüsse der**

## [§ [12]
## BESCHLÜSSE DER GLÄUBIGER; GEMEINSAMER VERTRETER

**Gläubiger vorsehen, einfügen**

**[**(1) *Änderungen der Anleihebedingungen durch Beschluss der Gläubiger.* **[**Diese Anleihebedingungen können**]** durch die Emittentin mit Zustimmung der Gläubiger aufgrund Mehrheitsbeschlusses nach Maßgabe der §§ 5 ff. des Gesetzes über Schuldverschreibungen aus Gesamtemissionen (Schuldverschreibungsgesetz – "**SchVG**") in seiner jeweiligen gültigen Fassung geändert werden. Die Gläubiger können insbesondere einer Änderung wesentlicher Inhalte der Anleihebedingungen zustimmen, einschließlich der in § 5 Absatz 3 SchVG vorgesehenen Maßnahmen. Ein ordnungsgemäß gefasster Mehrheitsbeschluss ist für alle Gläubiger verbindlich.

(2) *Mehrheitserfordernisse.* Vorbehaltlich der Erreichung der erforderlichen Beschlussfähigkeit, entscheiden die Gläubiger mit den in § 5 Absatz 4 Satz 1 und Satz 2 SchVG genannten Mehrheiten.

(3) *Verfahren*. Beschlüsse der Gläubiger werden im Wege der Abstimmung ohne Versammlung nach § 18 SchVG getroffen. Gläubiger, deren Schuldverschreibungen zusammen 5 % des jeweils ausstehenden Gesamtnennbetrags der Schuldverschreibungen erreichen, können in Textform (z.B. eMail oder Fax) oder schriftlich die Durchführung einer Abstimmung ohne Versammlung nach Maßgabe von § 9 i.V.m. § 18 SchVG verlangen. Die Aufforderung zur Stimmabgabe durch den Abstimmungsleiter regelt die weiteren Einzelheiten der Beschlussfassung und der Abstimmung. Mit der Aufforderung zur Stimmabgabe werden die Beschlussgegenstände sowie die Vorschläge zur Beschlussfassung den Gläubigern bekannt gegeben.

(4) *Teilnahmeberechtigung*. Gläubiger haben die Berechtigung zur Teilnahme an der Abstimmung zum Zeitpunkt der Stimmabgabe durch besonderen Nachweis ihrer Depotbank, welche (a) den vollständigen Namen und die vollständige Adresse des Gläubigers enthält, (b) den Gesamtnennbetrag der Schuldverschreibungen bezeichnet, die unter dem Datum der Bestätigung auf dem Wertpapierdepot verbucht sind, und (c) bestätigt, dass die Depotbank (wie in § **[**16**][**(4)**][**(5)**]** definiert) gegenüber dem Clearing System eine schriftliche Erklärung abgegeben hat, die die vorstehend unter (a) und (b) bezeichneten Informationen enthält, und die Vorlage eines Sperrvermerks ihrer Depotbank zugunsten der Zahlstelle als Hinterlegungsstelle für den Abstimmungszeitraum nachzuweisen.

(5) *Gemeinsamer Vertreter*.

**Falls kein Gemeinsamer Vertreter in den Anleihebedingungen bestellt wird und die Gläubiger einen Gemeinsamen Vertreter durch Mehrheitsbeschluss bestellen können, einfügen:**

**[**Die Gläubiger können durch Mehrheitsbeschluss die Bestellung und Abberufung eines gemeinsamen Vertreters, die Aufgaben und Befugnisse des gemeinsamen Vertreters, die Ausübung von Rechten der Gläubiger auf den gemeinsamen Vertreter und eine Beschränkung der Haftung des gemeinsamen Vertreters bestimmen. Die Bestellung eines gemeinsamen Vertreters bedarf einer qualifizierten Mehrheit im Sinne des § 5 Abs. 4 Satz 2 SchVG, wenn er ermächtigt wird, Änderungen wesentlicher Inhalte der Anleihebedingungen, deren Beschluss einer qualifizierten Mehrheit erfordern, zuzustimmen.**]**

**Im Fall der Bestellung des Gemeinsamen Vertreters in den Anleihebedingungen, einfügen**

**[[Name, Adresse, Kontaktdaten einfügen]**

wird hiermit zum gemeinsamen Vertreter der Gläubiger gemäß §§ 7 und 8 SchVG ernannt.**]**

Der gemeinsame Vertreter hat die Aufgaben und Befugnisse, welche ihm durch Gesetz oder von den Gläubigern durch Mehrheitsbeschluss eingeräumt wurden.

**Gegebenenfalls weitere Aufgaben und Befugnisse sowie Bestimmung zur Haftung des Gemeinsamen Vertreters einfügen:**

**[**Zusätzlich, hat der gemeinsame Vertreter die folgenden Aufgaben und Befugnisse:

**[Aufgaben und Befugnisse einfügen]**.**]**

**[**Die Haftung des gemeinsamen Vertreters ist auf das **[**Zehnfache**][höheren Wert einfügen]** seiner jährlichen Vergütung begrenzt, es sei denn, er handelt vorsätzlich oder grob fahrlässig.**]**

(6) *Bekanntmachungen*. Bekanntmachungen betreffend diesen § 12(1) bis (5) erfolgen gemäß den §§ 5ff. SchVG sowie nach § **[**15**]** dieser Anleihebedingungen.**]**

## § [13]
## VORLEGUNGSFRIST, VERJÄHRUNG

Die in § 801 Absatz 1 Satz 1 BGB bestimmte Vorlegungsfrist wird für die Schuldverschreibungen auf zehn Jahre abgekürzt, und die Verjährungsfrist für Ansprüche aus den Schuldverschreibungen, die während der Vorlegungsfrist vorgelegt wurden, beträgt zwei Jahre beginnend ab dem Ende der Vorlegungsfrist.

## § [14]
## BEGEBUNG WEITERER SCHULDVERSCHREIBUNGEN, ANKAUF UND ENTWERTUNG

(1) *Begebung weiterer Schuldverschreibungen.* Die Emittentin behält sich vor, jederzeit ohne Zustimmung der Gläubiger weitere Schuldverschreibungen mit gleicher Ausstattung (gegebenenfalls mit Ausnahme des Ausgabetages, des anfänglichen Zinszahlungstages und/oder des Ausgabepreises) in der Weise zu begeben, dass sie mit diesen Schuldverschreibungen eine einheitliche Serie bilden.

(2) *Ankauf.* Die Emittentin ist jederzeit berechtigt, Schuldverschreibungen im Markt oder anderweitig zu jedem beliebigen Preis zu kaufen. Die von der Emittentin erworbenen Schuldverschreibungen können nach ihrer Wahl von ihr gehalten, weiterverkauft oder bei einer Zahlstelle zwecks Entwertung eingereicht werden. Sofern diese Käufe durch öffentliches Angebot erfolgen, muss dieses Angebot allen Gläubigern gemacht werden.

(3) *Entwertung.* Sämtliche vollständig getilgten Schuldverschreibungen werden unverzüglich entwertet und dürfen nicht wiederbegeben oder weiterverkauft werden.

## § [15]
## MITTEILUNGEN

**Im Fall von Schuldverschreibungen, die an einer Börse notiert sind, einfügen:**

**[**(1) *Bekanntmachung.* Alle die Schuldverschreibungen betreffenden Mitteilungen sind **[falls Deutschland der Herkunftsstaat ist, einfügen:** im Bundesanzeiger zu veröffentlichen.**][falls die Veröffentlichung aufgrund gesetzlicher Bestimmungen zusätzlich in einer von den Börsen in Luxemburg akzeptierten Zeitung vorzunehmen ist, einfügen:** , soweit gesetzlich gefordert, in einer führenden Tageszeitung mit allgemeiner Verbreitung im Großherzogtum Luxemburg zu veröffentlichen. Diese Zeitung**[**en**]** **[**ist**][**sind**]** voraussichtlich **[**das *Tageblatt***]** **[** *Luxemburger Wort***]** **[andere Zeitung mit allgemeiner Verbreitung einfügen]**.**]** Jede derartige Mitteilung gilt am Tag der Veröffentlichung (oder bei mehreren Veröffentlichungen am Tag der ersten solchen Veröffentlichung) als wirksam erfolgt.**]**

**Sofern eine Mitteilung durch elektronische Publikation auf der Website der betreffenden Börse möglich ist,**

**[**([2]) *Elektronische Bekanntmachung.* Alle die Schuldverschreibungen betreffenden Mitteilungen erfolgen **[**zusätzlich**]** durch elektronische Publikation auf der Website der **[**Luxemburger Börse**]** **[betreffende Börse einfügen]** (**[**www.bourse.lu**]**, **[Internetadresse einfügen]**). Jede derartige Mitteilung gilt am Tag der Veröffentlichung (oder bei

**einfügen:**

mehreren Veröffentlichungen am Tag der ersten solchen Veröffentlichung) als wirksam erfolgt.**]**

(**[**3**]**) *Mitteilungen an das Clearingsystem.*

**Im Fall von Schuldverschreibungen, die nicht börsennotiert sind, einfügen:**

**[**Die Emittentin wird alle die Schuldverschreibungen betreffenden Mitteilungen an das Clearingsystem zur Weiterleitung an die Gläubiger übermitteln. Jede derartige Mitteilung gilt am siebten Tag nach dem Tag der Mitteilung an das Clearingsystem als den Gläubigern mitgeteilt.**]**

**Im Fall von Schuldverschreibungen, die an einer Börse notiert sind, einfügen:**

**[**Soweit dies die Regeln der **[maßgebliche Börse einfügen]** zulassen, kann die Emittentin eine Veröffentlichung nach Absatz **[**2**]** durch eine Mitteilung an das Clearingsystem zur Weiterleitung an die Gläubiger ersetzen oder diese Mitteilung zusätzlich zur Veröffentlichung nach Absatz **[**2**]** vornehmen; jede derartige Mitteilung gilt am siebten Tag nach dem Tag der Mitteilung an das Clearingsystem als den Gläubigern mitgeteilt.**]**

(**[**4**]**) *Form der Mitteilung.* Mitteilungen, die von einem Gläubiger gemacht werden, müssen in Textform (z.B. eMail oder Fax) oder schriftlich erfolgen und zusammen mit der oder den betreffenden Schuldverschreibung(en) an die Emissionsstelle geleitet werden. Solange Schuldverschreibungen durch eine Globalurkunde verbrieft sind, kann eine solche Mitteilung von einem Gläubiger an die Emissionsstelle über das Clearingsystem in der von der Emissionsstelle und dem Clearingsystem dafür vorgesehenen Weise erfolgen.

## § [16]
## ANWENDBARES RECHT, ERFÜLLUNGSORT, GERICHTSSTAND, UND GERICHTLICHE GELTENDMACHUNG

(1) *Anwendbares Recht.* Form und Inhalt der Schuldverschreibungen sowie die Rechte und Pflichten der Emittentin und der Gläubiger bestimmen sich in jeder Hinsicht nach deutschem Recht. In Bezug auf die Rechte und Pflichten der **[bei von Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder von Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:** Garantin,**] [**und der**]** Zahlstellen ist vereinbart worden, dass ebenfalls deutsches Recht anzuwenden ist.

(2) *Erfüllungsort.* Erfüllungsort ist Frankfurt am Main.

(3) *Gerichtsbarkeit.* Gerichtsstand für alle Rechtsstreitigkeiten aus oder im Zusammenhang mit den Schuldverschreibungen ist Frankfurt am Main. Die Gläubiger können ihre Ansprüche jedoch auch vor Gerichten in jedem anderen Land, in dem Vermögen der Emittentin belegen ist, geltend machen. Die deutschen Gerichte sind zuständig für die Kraftloserklärung abhanden gekommener oder vernichteter Schuldverschreibungen. Die Emittentin unterwirft sich hiermit der Gerichtsbarkeit der nach diesem Absatz zuständigen Gerichte.

**Bei von Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. oder Volkswagen Financial Services Australia Pty Limited begebenen Schuldverschreibungen einfügen:**

**[**(4) *Ernennung von Zustellungsbevollmächtigten.* Für etwaige Rechtsstreitigkeiten oder sonstige Verfahren vor deutschen Gerichten, bestellt die Emittentin Volkswagen Financial Services Aktiengesellschaft, Gifhorner Straße 57, 38112 Braunschweig, Bundesrepublik Deutschland, zu ihrem Zustellungsbevollmächtigten.**]**

**[**(5)**]** *Gerichtliche Geltendmachung.* Jeder Gläubiger von Schuldverschreibungen, der die Schuldverschreibungen über ein

Clearingsystem hält, kann in jedem Rechtsstreit gegen die Emittentin oder in jedem Rechtsstreit, in dem der Gläubiger und die Emittentin Partei sind, seine Rechte aus den Schuldverschreibungen im eigenen Namen auf folgender Grundlage wahrnehmen: (i) Er bringt eine Bescheinigung der Depotbank bei, bei der er für die Schuldverschreibungen ein Wertpapierdepot unterhält, welche (a) den vollständigen Namen und die vollständige Adresse des Gläubigers enthält, (b) den Gesamtnennbetrag der Schuldverschreibungen bezeichnet, die unter dem Datum der Bestätigung auf dem Wertpapierdepot verbucht sind und (c) bestätigt, dass die Depotbank gegenüber dem Clearingsystem eine schriftliche Erklärung abgegeben hat, die die vorstehend unter (a) und (b) bezeichneten Informationen enthält; und (ii) er legt eine Kopie der betreffenden Globalurkunde vor, deren Übereinstimmung mit dem Original eine vertretungsberechtigte Person des Clearingsystems oder der Verwahrbank des Clearingsystems bescheinigt hat, ohne dass eine Vorlage der Originalbelege oder der Globalurkunde erforderlich wäre. "**Depotbank**" im Sinne des Vorstehenden ist jedes Kreditinstitut oder jedes anerkannte Finanzinstitut, das berechtigt ist, das Wertpapierverwahrgeschäft zu betreiben, und bei dem der Gläubiger ein Wertpapierdepot für die Schuldverschreibungen unterhält; hierin eingeschlossen ist das Clearingsystem. Unbeschadet des Vorstehenden kann jeder Gläubiger seine Rechte aus den Schuldverschreibungen auch auf jede andere Weise schützen oder geltend machen, die im Land des Rechtsstreits prozessual zulässig ist.

## § [17]
## SPRACHE

**Falls die Anleihebedingungen in deutscher Sprache mit einer Übersetzung in die englische Sprache abgefasst sind, einfügen:**

**[**Diese Anleihebedingungen sind in deutscher Sprache abgefasst. Eine Übersetzung in die englische Sprache ist beigefügt. Der deutsche Text ist bindend und maßgeblich. Die Übersetzung in die englische Sprache ist unverbindlich.**]**

**Falls die Anleihebedingungen in englischer Sprache mit einer Übersetzung in die deutsche Sprache abgefasst sind, einfügen:**

**[**Diese Anleihebedingungen sind in englischer Sprache abgefasst. Eine Übersetzung in die deutsche Sprache ist beigefügt. Der englische Text ist bindend und maßgeblich. Die Übersetzung in die deutsche Sprache ist unverbindlich.**]**

**Falls die Anleihebedingungen ausschließlich in deutscher Sprache abgefasst sind, einfügen:**

**[**Diese Anleihebedingungen sind ausschließlich in deutscher Sprache abgefasst.**]**

**Falls die Schuldverschreibungen insgesamt oder teilweise öffentlich in Deutschland angeboten oder in Deutschland an nicht-qualifizierte Anleger vertrieben werden und die Anleihebedingungen in englischer Sprache abgefasst sind, einfügen:**

**[**Eine deutsche Übersetzung der Anleihebedingungen wird bei **[Name und Adresse der Zahlstelle in Deutschland einfügen]** in ihrer Eigenschaft als Paying Agent sowie bei der **[**Volkswagen Financial Services Aktiengesellschaft**] [**Volkswagen Leasing GmbH**]** (Abteilung Treasury/FH-FTK), Gifhorner Strasse 57, 38112 Braunschweig, Bundesrepublik Deutschland**]** zur kostenlosen Ausgabe bereitgehalten.**]**

# Guarantee

**(Non-binding translation)**

by
Volkswagen Financial Services Aktiengesellschaft,
Braunschweig, Federal Republic of Germany (the "**Guarantor**"),
for the benefit of the holders (the "**Holders**") of notes (the "**Notes**")
issued by
Volkswagen Leasing GmbH, Braunschweig, Federal Republic of Germany,
Volkswagen Financial Services N.V., Amsterdam, The Netherlands,
Volkswagen Financial Services Japan Ltd., Tokyo, Japan or
Volkswagen Financial Services Australia Pty Limited (ABN 20 097 071 460), Sydney, Australia
(each an "**Issuer**")
under the EUR 35,000,000,000 Debt Issuance Programme (the "**Programme**").

The Guarantor hereby unconditionally and irrevocably guarantees to the Holder of each Note the due payment of all amounts payable as principal or interest, if any, on the respective Notes which were issued by the Issuer since 6 June 2019 in accordance with the respective Terms applicable to such Notes.

The intent and purpose of this Guarantee is to ensure that the Holders under all circumstances, whether factual or legal, and regardless of the validity and enforceability of the obligations of the Issuers (or any company that may have been substituted for the same or for Volkswagen Financial Services Aktiengesellschaft in its capacity as issuer of Notes under the Programme), pursuant to the Terms and Conditions of the respective Notes may fail to effect payment, shall receive the amounts payable as principal and interest, if any, on the dates provided for in the Terms and Conditions applicable to the respective Notes.

If the Guarantor should be required by law to deduct or withhold from any payment under this Guarantee any taxes, duties or governmental charges whatsoever, imposed or levied by or on behalf of the Federal Republic of Germany or any taxing authority therein, then, except as otherwise provided in Condition 8 of the Terms and Conditions of the Notes, the Guarantor shall pay such Additional Amounts as may be necessary in order that the net Amounts after such deduction or withholding shall equal the amounts of interest and principal that would have been payable if no such deduction or withholding had been made.

The Guarantor expressly guarantees the payment of principal of, and interest, if any, on, all Notes issued with reference to the Programme. The Guarantor further undertakes, as long as Notes under the Programme are outstanding, but only up to the time all amounts payable have been placed at the disposal of the Paying Agent, not to provide any security upon its assets for any other Bond Issue, including any guarantee or indemnity in respect thereof, without at the same time having the Holders of the aforesaid Notes share equally and rateably in such security. For the avoidance of doubt, this undertaking shall not apply to security provided in connection with asset backed securities issued by a Guarantor's subsidiary, or by a special purpose vehicle where a Guarantor's subsidiary is the originator of the underlying assets. For purposes of this Guarantee, "**Bond Issue**" shall mean an issue of debt securities which is, or is intended to be, or is capable of being, quoted, listed or dealt in on any stock exchange, over-the counter or other securities market.

This Guarantee and all undertakings contained herein constitute a contract for the benefit of the Holders from time to time as third party beneficiaries pursuant to § 328 paragraph 1 BGB (German Civil Code). They give rise to the right of each such Holder to require performance of the obligations undertaken herein directly from the Guarantor, and to enforce such obligations directly against the Guarantor.

Any Holder has the right in case of non-performance of any payments on the Notes to enforce the Guarantee by filing a suit directly against the Guarantor without the need to take prior proceedings against the relevant Issuer.

Citibank N.A. (London branch), which accepted this Guarantee, in its capacity as Fiscal Agent does not act in a relationship of agency, trust, fiduciary or in any other similar capacity for the Holders.

Terms used in this Guarantee and not otherwise defined herein shall have the meaning attributed to them in the Conditions.

If Notes provide that the provisions regarding Resolutions of Holders and the Common Representative apply to such Notes, such provisions shall be applicable *mutatis mutandis* also to this Guarantee.

The rights and obligations arising from this Guarantee shall in all respects be determined in accordance with German law. Place of performance and non-exclusive place of jurisdiction shall be Frankfurt am Main.

The original version of this Guarantee shall be delivered to, and kept by, the Fiscal Agent. On the basis of a copy of this Guarantee certified as being a true copy by a duly authorised officer of the Citibank N.A. (London branch) each Holder may protect and enforce in his own name his rights arising under this Guarantee in any legal proceedings against the Guarantor or to which such Holder and the Guarantor are parties, without the need for production of this Guarantee in such proceedings.

This Guarantee is written in the German language and provided with an English language translation. Only the German text shall be controlling and binding.

Braunschweig, 6 June 2019

**VOLKSWAGEN FINANCIAL SERVICES AKTIENGESELLSCHAFT**

We accept the terms of the above Guarantee without recourse, warranty or liability.

London, 6 June 2019

Citibank N.A. (London branch)

# Garantie

der
Volkswagen Financial Services Aktiengesellschaft,
Braunschweig, Bundesrepublik Deutschland (die "**Garantin**"),
zugunsten der Schuldverschreibungsgläubiger (die "**Gläubiger**")
der von
Volkswagen Leasing GmbH, Braunschweig, Bundesrepublik Deutschland,
Volkswagen Financial Services N.V., Amsterdam, Niederlande,
Volkswagen Financial Services Japan Ltd., Tokio, Japan oder
Volkswagen Financial Services Australia Pty Limited (ABN 20 097 071 460), Sydney, Australien
(jeweils eine "**Emittentin**")
im Rahmen des EUR 35.000.000.000 Debt Issuance Programmes (das "**Programm**")
begebenen Schuldverschreibungen (die "**Schuldverschreibungen**").

Die Garantin gewährleistet hiermit den Gläubigern der Schuldverschreibungen unwiderruflich und unbedingt die ordnungsgemäße Zahlung der Beträge, die seit dem 6. Juni 2019 von der Emittentin nach Maßgabe der für die Schuldverschreibungen jeweils geltenden Bedingungen als Kapital oder Zinsen zahlbar sind.

Sinn und Zweck dieser Garantie ist es sicherzustellen, dass die Gläubiger unter allen tatsächlichen oder rechtlichen Umständen und ungeachtet der Wirksamkeit und Durchsetzbarkeit der Verpflichtungen der Emittentinnen (oder der gemäß für die jeweiligen Schuldverschreibungen geltenden Anleihebedingungen an ihre Stelle oder an die Stelle der Volkswagen Financial Services Aktiengesellschaft in ihrer Eigenschaft als Emittentin unter dem Programm getretenen Gesellschaft), die etwaigen als Kapital und Zinsen zahlbaren Beträge zu den in den für die jeweiligen Schuldverschreibungen geltenden Anleihebedingungen vorgesehenen Terminen erhalten.

Falls die Garantin kraft Gesetzes verpflichtet sein sollte, von einer Zahlung unter dieser Garantie Steuern, Abgaben oder behördliche Gebühren irgendwelcher Art, die durch oder für die Bundesrepublik Deutschland oder irgendeine dort zur Steuererhebung ermächtigte Stelle auferlegt oder erhoben werden, abzuziehen oder einzubehalten, dann wird die Garantin vorbehaltlich der Ausnahmen gemäß § 8 der Anleihebedingungen diejenigen zusätzlichen Beträge zahlen, die dazu erforderlich sind, dass der nach einem solchen Abzug oder Einbehalt verbleibende Nettobetrag denjenigen Beträgen entspricht, die ohne solchen Abzug oder Einbehalt zu zahlen gewesen wären.

Die Garantin gewährleistet ausdrücklich die Zahlung von Kapital und etwaigen Zinsen aller Schuldverschreibungen, die unter Bezugnahme auf das Programm begeben wurden. Die Garantin verpflichtet sich ferner, solange Schuldverschreibungen unter dem Programm ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle zahlbaren Beträge an Kapital und etwaigen Zinsen der Zahlstelle zur Verfügung gestellt worden sind, für andere Anleiheemissionen, einschließlich dafür übernommener Garantien und Gewährleistungen, keine Sicherheiten an ihrem Vermögen zu bestellen, ohne gleichzeitig und im gleichen Rang die Gläubiger der oben genannten Schuldverschreibungen an solchen Sicherheiten teilnehmen zu lassen. Zur Vermeidung etwaiger Zweifel: Die Verpflichtung gilt nicht in Bezug auf Sicherheiten, die in Zusammenhang mit von einer Tochtergesellschaft der Garantin begebenen asset-backed-securities (strukturierte Wertpapiere, die mit Vermögenswerten besichert sind) gestellt werden oder für asset-backed-securities, die von einer Zweckgesellschaft begeben werden, bei denen eine Tochtergesellschaft der Garantin die ursprüngliche Inhaberin der zugrunde liegenden Vermögenswerte ist. Im Sinne dieser Garantie ist eine "**Anleiheemission**" eine Emission von Schuldverschreibungen, die an einer Wertpapierbörse, im Freiverkehr oder einem anderen Wertpapiermarkt notiert, eingeführt oder gehandelt werden bzw. notiert, eingeführt oder gehandelt werden sollen oder können.

Diese Garantie und alle darin enthaltenen Vereinbarungen sind ein Vertrag zugunsten der Gläubiger als begünstigte Dritte gemäß § 328 Abs. 1 BGB. Sie begründen das Recht eines jeden Gläubigers, die Erfüllung der hierin eingegangenen Verpflichtungen unmittelbar von der Garantin zu fordern und diese Verpflichtungen unmittelbar gegenüber der Garantin durchzusetzen.

Ein Gläubiger kann im Falle der Nichterfüllung von Zahlungen auf die Schuldverschreibungen zur Durchsetzung dieser Garantie unmittelbar gegen die Garantin Klage erheben, ohne dass zunächst ein Verfahren gegen die jeweilige Emittentin eingeleitet werden müsste.

Citibank N.A. (London branch), die die hierin enthaltenen Vereinbarungen akzeptiert, handelt als Emissionsstelle nicht als Sicherheitenverwahrerin, Beauftragte oder Treuhänderin oder in einer ähnlichen Eigenschaft für die Gläubiger.

Die hierin verwendeten und nicht anders definierten Begriffe haben die ihnen in den Bedingungen zugewiesene Bedeutung. Sofern auf Schuldverschreibungen die Bestimmungen über Beschlüsse der Gläubiger oder den Gemeinsamen Vertreter der Gläubiger Anwendung finden, gelten diese Bestimmungen sinngemäß auch für diese Garantie.

Die Rechte und Pflichten aus dieser Garantie bestimmen sich in jeder Hinsicht nach deutschem Recht. Erfüllungsort und nicht-ausschließlicher Gerichtsstand ist Frankfurt am Main.

Jeder Gläubiger einer Schuldverschreibung kann in jedem Rechtsstreit gegen die Garantin und in jedem Rechtstreit, in dem er und die Garantin Partei sind, seine aus dieser Garantie hervorgehenden Rechte auf der Grundlage einer von einer vertretungsberechtigten Person der Emissionsstelle beglaubigten Kopie dieser Garantie ohne Vorlage des Originals im eigenen Namen wahrnehmen und durchsetzen.

Diese Garantie ist in deutscher Sprache abgefasst und mit einer Übersetzung in die englische Sprache versehen. Allein der deutsche Text soll bindend und maßgeblich sein.

Braunschweig, 6. Juni 2019

**VOLKSWAGEN FINANCIAL SERVICES AKTIENGESELLSCHAFT**

Wir akzeptieren die Bestimmungen der vorstehenden Garantie ohne Obligo, Gewährleistung oder Rückgriff auf uns.
6. Juni 2019 Citibank N.A. (London branch)

**[In case of Notes listed on the official list of the and admitted to trading on the regulated market of the Luxembourg Stock Exchange or publicly offered in the Grand Duchy of Luxembourg, the Final Terms will be displayed on the website of the Luxembourg Stock Exchange (www.bourse.lu). In case of Notes listed and admitted to trading on any other stock exchange, or publicly offered in member states of the European Economic Area excluding the Grand Duchy of Luxembourg, the Final Terms will be displayed on the website www.vwfs.com.]**

**[[MiFID II product governance / Professional investors and ECPs only target market** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**") [*consider to insert additional target market criteria*]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [*consider any negative target market*] . Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.**]**[1]

**[MiFID II product governance / Retail investors, professional investors and ECPs target market** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties, professional clients and retail clients, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**") [*consider to insert additional target market criteria*]; EITHER[2] [and (ii) all channels for distribution of the Notes are appropriate, including investment advice, portfolio management, non-advised sales and pure execution services]] OR[3] [(ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the Notes to retail clients are appropriate – investment advice[,/ and] portfolio management[,/ and][non-advised sales][and pure execution services][, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable]]. [*consider to insert any negative target market*] . Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels[, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable**].**]**]**[4]

**[***insert other target market***]**

**[PROHIBITION OF SALES TO EEA RETAIL INVESTORS –** The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); (ii) a customer within the meaning of Directive 2002/92/EC (as amended or superseded, the "**IMD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended or superseded, the "**Prospectus Directive**"). Consequently no key information document required by Regulation (EU) No 1286/2014 (the **"PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.[5]**]**

## FORM OF FINAL TERMS
## *MUSTER – ENDGÜLTIGE BEDINGUNGEN*

**[Date]**
**[*Datum*]**

Final Terms

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1 Include this product governance legend in case of the "ICMA 1" (professional and eligible counterparties only) target market approach.

2 Include for notes that are not complex pursuant to the guidelines on complex debt instruments and structured deposits (ESMA/2015/1787) (the "ESMA Guidelines").

3 Include for notes that are ESMA complex pursuant to the ESMA Guidelines. This list may need to be amended, for example, if advised sales are deemed necessary. If there are advised sales, a determination of suitability and appropriateness will be necessary. In addition, if the Notes constitute "complex" products, pure execution services to retail clients are not permitted without the need to make the determination of appropriateness required under Article 25(3) of MiFID II.

4 Include this product governance legend in case of the "ICMA 2" (retail) target market approach.

5 "Prohibition of Sales to EEA Retail Investors" only applies if the Notes may constitute "packaged" products and no key information document ("KID") will be prepared.

*Endgültige Bedingungen*

**[**Volkswagen Financial Services Aktiengesellschaft**]** **[**Volkswagen Leasing GmbH**]**
**[**Volkswagen Financial Services N.V.**]** **[**Volkswagen Financial Services Japan Ltd.**]**
**[**Volkswagen Financial Services Australia Pty Limited (ABN 20 097 071 460)**]**

**[**Title of relevant Series of Notes**]**
**[***Bezeichnung der betreffenden Serie der Schuldverschreibungen***]**

issued pursuant to the
*begeben aufgrund des*

**EUR 35,000,000,000**
**Debt Issuance Programme**

of
*der*

**Volkswagen Financial Services Aktiengesellschaft**
as Issuer and/or Guarantor
*als Emittentin und/oder Garantin*

**Volkswagen Leasing GmbH**
**Volkswagen Financial Services N.V.**
**Volkswagen Financial Services Japan Ltd.**
**Volkswagen Financial Services Australia Pty Limited (ABN 20 097 071 460)**
as Issuer
*als Emittentin*

dated 6 June 2019
*vom 6. Juni 2019*

Issue Price: **[ ]** per cent.
*Ausgabepreis:* **[ ]***%´*

Issue Date: **[ ]**[6]
*Tag der Begebung:* **[ ]**

Series No: **[ ]**
Serien Nr.: **[ ]**

**Important Notice**
These Final Terms have been prepared for the purpose of Article 5 (4) of the Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003, as amended or superseded, and must be read in conjunction with the Prospectus pertaining to the Euro 35,000,000,000 Debt Issuance Programme of Volkswagen Financial Services Aktiengesellschaft, Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. and Volkswagen Financial Services Australia Pty Limited dated 6 June 2019 (the "**Prospectus**") **[**and the supplement(s) thereto dated **[[●]]]**. The Prospectus and any supplement thereto are available for viewing in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu) and on the website of Volkswagen Financial Services Aktiengesellschaft (www.vwfs.com) and copies may be obtained free of charge from Volkswagen Financial Services Aktiengesellschaft, Gifhorner Straße 57, 38112 Braunschweig, Federal Republic of Germany. Full information is only available on the basis of the combination of the Prospectus, any supplement and these Final Terms.

**Wichtiger Hinweis**
*Diese Endgültigen Bedingungen wurden für die Zwecke des Artikels 5 Absatz 4 der Richtlinie 2003/71/EG des Europäischen Parlaments und des Rates vom 4. November 2003, in der jeweils gültigen Fassung, bzw. einer Nachfolgefassung, abgefasst und sind in Verbindung mit dem Prospekt zu dem EUR 35.000.000.000 Debt Issuance Programme der Volkswagen Financial Services Aktiengesellschaft, Volkswagen Leasing GmbH,*

[6] The Issue Date is the date of payment and settlement of the Notes. In the case of free delivery, the Issue Date is the delivery date.
*Der Tag der Begebung ist der Tag, an dem die Schuldverschreibungen begeben und bezahlt werden. Bei freier Lieferung ist der Tag der Begebung der Tag der Lieferung.*

*Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. und Volkswagen Financial Services Australia Pty Limited vom 6. Juni 2019 (der "**Prospekt**") **[**und dem(den) Nachtrag(Nachträgen) dazu vom **[●]]** zu lesen. Der Prospekt sowie etwaige Nachträge dazu können in elektronischer Form auf der Internetseite der Luxemburger Börse (www.bourse.lu) und der Internetseite der Volkswagen Financial Services Aktiengesellschaft (www.vwfs.com). Kopien des Prospekts sind gebührenfrei bei der Volkswagen Financial Services Aktiengesellschaft, Gifhorner Straße 57, 38112 Braunschweig, Bundesrepublik Deutschland erhältlich. Um sämtliche Angaben zu erhalten, sind die Endgültigen Bedingungen, der Prospekt und etwaige Nachträge im Zusammenhang zu lesen.*

**[**A summary of the individual issue of the Notes is annexed to these Final Terms.**]**[7]
**[***Eine Zusammenfassung der einzelnen Emission der Schuldverschreibungen ist diesen Endgültigen Bedingungen beigefügt.***]**

**[In the case of an increase of a Series of Notes insert:**
These Final Terms must be read in conjunction with the Prospectus, save in respect of the Terms and Conditions which are extracted from the base prospectus dated **[**12 June 2013, as supplemented by the supplement dated 28 November 2013**][**12 June 2014**][**11 June 2015**][**5 August 2016**][**28 June 2017**][**26 June 2018**]** (the "**First Prospectus**"), which have been incorporated by reference into this Prospectus **[**and which are attached hereto**].]**
**[Im Falle einer Aufstockung einer Serie von Schuldverschreibungen einfügen:**
*Diese Endgültigen Bedingungen sind in Verbindung mit dem Prospekt zu lesen, mit Ausnahme der Anleihebedingungen, die dem Basisprospekt vom **[**12. Juni 2013, wie nachgetragen durch den Nachtrag vom 28. November 2013**][**12. Juni 2014**][**11. Juni 2015**][**5. August 2016**][**28. Juni 2017**][**26. Juni 2018**]** (der "**Erste Prospekt**") entnommen wurden, und die per Verweis in den Prospekt einbezogen wurden **[**und als Anhang beigefügt sind**].]**

Terms not otherwise defined herein shall have the meanings specified in the Terms and Conditions, as set out in the Prospectus (the "**Terms and Conditions**").
*Begriffe, die in den im Prospekt enthaltenen Anleihebedingungen (die "**Anleihebedingungen**") definiert sind, haben, falls die Endgültigen Bedingungen nicht etwas anderes bestimmen, die gleiche Bedeutung, wenn sie in diesen Endgültigen Bedingungen verwendet werden.*

The Terms and Conditions shall be completed and specified by the information contained in Part I of these Final Terms. **[In the case of Replication Conditions insert:** The completed and specified provisions of the **[**relevant Option **[**I**] [**II**] [**III**]** of the Terms and Conditions of the Notes**] [In the case of an increase of a Series of Notes insert:** contained in the First Prospectus**] [**(Replication Conditions)**]] [in the case of Reference Conditions insert:** The **[**relevant Option **[**I**] [**II**] [**III**]** of the Terms and Conditions of the Notes **[In the case of an increase of a Series of Notes insert:** of the Notes contained in the First Prospectus**]]**, completed and specified by, and to be read together with, Part I. of these Final Terms **[**(Reference Conditions)**]]** represent the conditions applicable to the relevant Series of Notes (the "**Conditions**"). If and to the extent the Conditions deviate from the Terms and Conditions, the Conditions shall prevail. If and to the extent the Conditions deviate from other terms contained in this document, the Conditions shall prevail.
*Die Anleihebedingungen werden durch die Angaben in Teil I. dieser Endgültigen Bedingungen vervollständigt und spezifiziert.* ***[Im Falle von Konsolidierten Bedingungen einfügen:*** *Die vervollständigten und spezifizierten Bestimmungen der maßgeblichen* **[***Option* **[***I***] [***II***] [***III***]** *der* **[Im Falle einer Aufstockung einer Serie von Schuldverschreibungen einfügen:** *im Ersten Prospekt enthaltenen***]]** *Anleihebedingungen der Schuldverschreibungen* **[***(Konsolidierte Bedingungen)***]] [im Falle von Verweis-Bedingungen einfügen:** *Die* **[**maßgebliche *Option* **[***I***] [***II***] [***III***]** *der* **[Im Falle einer Aufstockung einer Serie von Schuldverschreibungen einfügen:** *im Ersten Prospekt enthaltenen***]** *Anleihebedingungen der Schuldverschreibungen***]**, *vervollständigt und spezifiziert durch und in Verbindung mit Teil I dieser Endgültigen Bedingungen* **[***(Verweis-Bedingungen)***]]** *stellen für die betreffende Serie von Schuldverschreibungen die Bedingungen der Schuldverschreibungen dar (die "**Bedingungen**"). Sofern und soweit die Anleihebedingungen von den Bedingungen abweichen, sind die Bedingungen maßgeblich. Sofern und soweit die Bedingungen von den übrigen Angaben in diesem Dokument abweichen, sind die Bedingungen maßgeblich.*

[7] Not applicable in case of Notes with a Specified Denomination of at least EUR 100,000.
*Nicht anwendbar bei Schuldverschreibungen mit einer Festgelegten Stückelung von mindestens EUR 100.000.*

**Part I.: CONDITIONS**
***Teil I.: BEDINGUNGEN***

**[1. In the case the options applicable to the relevant Series of Notes are to be determined by replicating the relevant provisions set forth in the Prospectus as Option I, II, III respectively, and completing the relevant placeholders ("Replication Conditions"), insert:**[8]
***1. Falls die für die betreffende Serie von Schuldverschreibungen geltenden Optionen durch Wiederholung der betreffenden im Prospekt als Option I, II, III aufgeführten Angaben bestimmt und die betreffenden Leerstellen vervollständigt werden ("Konsolidierte Bedingungen"), einfügen:***

The Conditions applicable to the Notes **[**and the **[**German**][**English**]** language translation thereof**]**, are as set out below.
*Die für die Schuldverschreibungen geltenden Bedingungen **[**sowie die **[**deutschsprachige**][**englischsprachige**]** Übersetzung**]** sind wie nachfolgend aufgeführt.*

**[replicate the relevant provisions of the applicable Option of Terms and Conditions and complete relevant placeholders]**
**[*hier die betreffenden Bestimmungen der anwendbaren Option der Anleihebedingungen wiederholen und betreffende Leerstellen vervollständigen*]]**

**[2. In the case the options applicable to the relevant Series of Notes are to be determined by referring to the relevant provisions set forth in the Prospectus as Option I, II or III, including certain further options contained therein, respectively ("Reference Conditions"), insert:**
***2. Falls die für die betreffende Serie von Schuldverschreibungen geltenden Optionen, die durch Verweisung auf die betreffenden im Prospekt als Option I, II oder III aufgeführten Angaben (einschließlich der jeweils enthaltenen bestimmten weiteren Optionen) bestimmt werden ("Verweis Bedingungen"), einfügen:***

This Part I. of the Final Terms is to be read in conjunction with the set of Terms and Conditions **[**that apply to **[**zero coupon**] [**Notes**] [**with **[**fixed**] [**to**] [**floating**] [**fixed reset**]** interest rates**]** set forth in the **[In the case of an increase of a Series of Notes insert:** First**]** Prospectus as **[**Option I**] [**Option II**] [**Option III**]]**. Capitalised Terms shall have the meanings specified in the set of Terms and Conditions.
*Dieser Teil I. der Endgültigen Bedingungen ist in Verbindung mit dem Satz der Anleihebedingungen**[**, der auf **[**Nullkupon**] [**Schuldverschreibungen**] [**mit **[**fester**] [**zu**] [**variabler**] [**fester Reset-**]** Verzinsung**]** Anwendung findet zu lesen, der als **[**Option I**] [**Option II**] [**Option III**]** im **[*Im Falle einer Aufstockung einer Serie von Schuldverschreibungen einfügen:* Ersten**]** Prospekt enthalten ist**]**. Begriffe, die in dem Satz der Anleihebedingungen definiert sind, haben die gleiche Bedeutung, wenn sie in diesen Endgültigen Bedingungen verwendet werden.*

All references in this part of the Final Terms to numbered paragraphs and subparagraphs are to paragraphs and subparagraphs of the Terms and Conditions.
*Bezugnahmen in diesem Teil der Endgültigen Bedingungen auf Paragraphen und Absätze beziehen sich auf die Paragraphen und Absätze der Anleihebedingungen.*

All provisions in the Terms and Conditions corresponding to items in the Final Terms which are either not selected or completed or which are deleted shall be deemed to be deleted from the terms and conditions applicable to the Notes.
*Sämtliche Bestimmungen der Anleihebedingungen, die sich auf Variablen dieser Endgültigen Bedingungen beziehen und die weder angekreuzt noch ausgefüllt werden oder die gestrichen werden, gelten als in den auf die Schuldverschreibungen anwendbaren Anleihebedingungen gestrichen.***]**

[8] To be determined in consultation with the Issuer. It is anticipated that this type of documenting the Conditions will be required where the Notes are to be publicly offered, in whole or in part, or to be initially distributed, in whole or in part, to non-qualified investors. Delete all references to 2. Part I of the Final Terms including numbered paragraphs and subparagraphs of the Terms and Conditions.
*In Abstimmung mit der Emittentin festzulegen. Es ist vorgesehen, dass diese Form der Dokumentation der Bedingungen erforderlich ist, wenn die Schuldverschreibungen insgesamt oder teilweise anfänglich an nicht qualifizierte Anleger verkauft oder öffentlich angeboten werden. Alle Bezugnahmen auf 2. Teil I der Endgültigen Bedingungen einschließlich der Paragraphen und Absätze der Anleihebedingungen entfernen.*

**[Option I. Notes with fixed interest rates**
***Option I. Schuldverschreibungen mit fester Verzinsung***

**CURRENCY, DENOMINATION, FORM, CERTAIN DEFINITIONS (§ 1)**
***WÄHRUNG, STÜCKELUNG, FORM, DEFINITIONEN (§ 1)***

**Currency and Denomination**[9]
***Währung und Stückelung***

Specified Currency **[ ]**
*Festgelegte Währung*

Aggregate Principal Amount **[ ]**
*Gesamtnennbetrag*

Specified Denomination **[ ]**
*Festgelegte Stückelung*

Number of Notes to be issued in the Specified Denomination **[ ]**
*Anzahl der in der Festgelegten Stückelung auszugebenden Schuldverschreibungen*

**Global Note**
***Globalurkunde***

☐ Permanent Global Note
*Dauerglobalurkunde*

☐ Temporary Global Note exchangeable for Permanent Global Note
*Vorläufige Globalurkunde austauschbar gegen Dauerglobalurkunde*

Form of Global Note[10]
*Form der Globalurkunde*

☐ Classical Global Note (CGN)
*Classical global note (CGN)*

☐ New Global Note (NGN)
*New global note (NGN)*

**Clearing System**
***Clearingsystem***

☐ Clearstream Banking AG
Mergenthalerallee 61
65760 Eschborn
Federal Republic of Germany

☐ Clearstream Banking, société anonyme
42 Avenue JF Kennedy
1855 Luxembourg
Grand Duchy of Luxembourg

☐ Euroclear Bank SA/NV
1 Boulevard du Roi Albert II
1210 Brussels

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[9] In case of Notes, issued by Volkswagen Financial Services Aktiengesellschaft, Volkswagen Leasing GmbH, Volkswagen Financial Services N.V. or Volkswagen Financial Services Australia Pty Limited, the Specified Denomination of the Notes will be, if in euro, at least EUR 1,000, and if in any currency other than euro, an amount in such other currency nearly equivalent to EUR 1,000 at the time of the issue of the Notes. In case of Notes issued by Volkswagen Financial Services Japan Ltd., the Specified Denomination of the Notes will be, if in euro, at least EUR 100,000 and, if in any currency other than euro, an amount in such other currency nearly equivalent to EUR 100,000 at the time of the issue of Notes.
*Die Festgelegte Stückelung der Schuldverschreibungen beträgt im Falle von Schuldverschreibungen, die von der Volkswagen Financial Services Aktiengesellschaft, der Volkswagen Leasing GmbH, der Volkswagen Financial Services N.V. oder der Volkswagen Financial Services Australia Pty Limited begeben werden, mindestens EUR 1.000, bzw. falls die Schuldverschreibungen in einer anderen Währung als Euro begeben werden, einem Betrag in dieser anderen Währung, der zur Zeit der Begebung der Schuldverschreibungen annähernd dem Gegenwert von EUR 1.000 entspricht. Im Fall von Schuldverschreibungen, die von der Volkswagen Financial Services Japan Ltd. begeben werden, beträgt die Festgelegte Stückelung mindestens EUR 100.000, bzw., wenn die Schuldverschreibungen auf eine andere Währung als Euro lauten, einem Betrag in dieser anderen Währung, der zur Zeit der Begebung der Schuldverschreibungen annähernd dem Gegenwert von EUR 100.000 entspricht.*

[10] Complete if the Notes are to be kept in custody by a common safekeeper on behalf of the ICSDs.
*Auszufüllen, falls die Schuldverschreibungen bei einem common safekeeper im Namen der ICSDs gehalten werden sollen.*

Belgium

☐ Other – specify **[ ]**
*Sonstige (angeben)*

**INTEREST (§ 3)**
***ZINSEN (§ 3)***

☐ **Fixed Rate Notes other than Zero Coupon Notes**
***Festverzinsliche Schuldverschreibungen außer Nullkupon-Schuldverschreibungen***

**Fixed Interest Rate and Interest Payment Dates**
***Festzinssatz und Zinszahlungstage***

| | |
|---|---|
| Fixed Interest Rate<br>*Festzinssatz* | **[ ]** per cent. *per annum*<br>**[ ]** *% per annum* |
| | **[**from (and including) **[ ]** to **[ ]** (but excluding)**]**<br>**[***vom (einschließlich)* **[ ]** *bis* **[ ]** *(ausschließlich)***]** |
| Interest Commencement Date<br>*Verzinsungsbeginn* | **[ ]** |
| Fixed Interest Date(s)<br>*Festzinst*ermin(e) | **[ ]** |
| First Interest Payment Date<br>*Erster Zinszahlungstag* | **[ ]** |
| Initial Broken Amount<br>*Anfänglicher Bruchteilzinsbetrag* | **[ ]** |
| Fixed Interest Date preceding the Maturity Date<br>*Festzinstermin, der dem Fälligkeitstag vorangeht* | **[ ]** |
| Final Broken Amount<br>*Abschließender Bruchteilzinsbetrag* | **[ ]** |
| Determination Date(s)[11]<br>*Feststellungstermin(e)* | **[ ]** in each year<br>**[ ]** *in jedem Jahr* |

☐ **Zero Coupon Notes**
***Nullkupon-Schuldverschreibungen***

| | |
|---|---|
| Accrual of Interest<br>*Auflaufende Zinsen* | |
| Amortisation Yield<br>*Emissionsrendite* | **[ ]** |

**Day Count Fraction**
***Zinstagequotient***

☐ Actual/Actual (ISDA)

☐ Actual/Actual (ICMA)

| | |
|---|---|
| **[**Deemed Interest Commencement Date**]**<br>**[***Fiktiver Verzinsungsbeginn***]** | **[ ]** |

[11] Insert regular interest dates ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant if the Day Count Fraction is Actual/Actual (ICMA).
*Einzusetzen sind die festen Zinstermine, wobei im Falle eines langen oder kurzen ersten oder letzten Kupons der Tag der Begebung bzw. der Fälligkeitstag nicht zu berücksichtigen sind. N.B. nur einschlägig, falls der Zinstagequotient Actual/Actual (ICMA) anwendbar ist.*

| | |
|---|---|
| **[**Deemed Interest Payment Date(s)**]**<br>**[***Fiktive(r) Zinszahlungstag(e)***]** | **[ ]** |

☐ Actual/365 (Fixed)

☐ Actual/360

☐ 30/360 or 360/360 (Bond Basis)

☐ 30E/360 (Eurobond Basis)

**REDEMPTION (§ 4, § 5)**
***RÜCKZAHLUNG (§ 4, § 5)***

**Redemption**
***Rückzahlung***

| | |
|---|---|
| Maturity Date<br>*Fälligkeitstag* | **[ ]** |
| Redemption Amount (per Specified Denomination)[12]<br>*Rückzahlungsbetrag (pro Festgelegter Stückelung)* | **[insert percentage or total amount]**<br>**[*prozentualen oder absoluten Betrag angeben*]** |

**Early Redemption**
***Vorzeitige Rückzahlung***

| | |
|---|---|
| **Early Redemption at the Option of the Issuer**<br>***Vorzeitige Rückzahlung nach Wahl der Emittentin*** | **[**Yes/No**]**<br>**[***Ja/Nein***]** |
| Minimum Redemption Amount<br>*Mindestrückzahlungsbetrag* | **[ ]** |
| Higher Redemption Amount<br>*Höherer Rückzahlungsbetrag* | **[ ]** |
| Call Redemption Date(s)<br>*Wahlrückzahlungstag(e) (Call)* | **[ ]** |
| Call Redemption Amount(s)<br>*Wahlrückzahlungsbetrag/-beträge (Call)* | **[ ]** |
| Minimum Notice to Holders[13]<br>*Mindestkündigungsfrist* | **[ ]** |
| Maximum Notice to Holders<br>*Höchstkündigungsfrist* | **[ ]** |

| | |
|---|---|
| **Early Redemption at the Option of a Holder**<br>***Vorzeitige Rückzahlung nach Wahl des Gläubigers*** | **[**Yes/No**]**<br>**[***Ja/Nein***]** |
| Put Redemption Date(s)<br>*Wahlrückzahlungstag(e) (Put)* | **[ ]** |
| Put Redemption Amount(s)<br>*Wahlrückzahlungsbetrag/-beträge (Put)* | **[ ]** |
| Minimum Notice to Issuer[14] | **[ ]** days |

[12] The Redemption Amount shall at least be equal to the nominal value.
*Der Rückzahlungsbetrag soll mindestens dem Nennbetrag entsprechen.*
[13] Euroclear and Clearstream require a minimum notice period of 5 business days.
*Euroclear und Clearstream verlangen eine Mindestkündigungsfrist von 5 Geschäftstagen.*
[14] Euroclear and Clearstream require a minimum notice period of 15 business days.
*Euroclear und Clearstream verlangen eine Mindestkündigungsfrist von 15 Geschäftstagen.*

*Mindestkündigungsfrist* **[ ]** *Tage*

Maximum Notice to Issuer (not more than 60 days) **[ ]** days
*Höchstkündigungsfrist (nicht mehr als 60 Tage)* **[ ]** *Tage*

**Early Redemption Amount**
***Vorzeitiger Rückzahlungsbetrag***

☐ **Fixed Rate Notes other than Zero Coupon Notes**
***Festverzinsliche Schuldverschreibungen außer Nullkupon-Schuldverschreibungen***

Redemption Amount **[**Yes/No**]**
*Rückzahlungsbetrag* **[***Ja/Nein***]**

Other Early Redemption Amount **[**set forth details in full here (including possible fall back provisions)**]**
*Anderer Vorzeitiger Rückzahlungsbetrag* **[***Einzelheiten einfügen (einschließlich möglicher Ausweichbestimmungen)***]**

☐ **Zero Coupon Notes**
***Nullkupon-Schuldverschreibungen***

Reference Price **[ ]**
*Referenzpreis*

**PAYMENTS (§ 6)**
***ZAHLUNGEN (§ 6)***

**Payment Business Day**
***Zahlungstag***

☐ Relevant Financial Centres **[**specify all**]**
*Maßgebliche Finanzzentren* **[***alle angeben***]**

☐ TARGET
*TARGET*

**ISSUING AGENT**, **PAYING AGENT[S] AND CALCULATION AGENT (§ 7)**
***DIE EMISSIONSSTELLE, DIE ZAHLSTELLE[N] UND DIE BERECHNUNGSSTELLE (§ 7)***

☐ Additional Paying Agent(s)/specified office(s) **[ ]**
*Zahlstelle(n)/bezeichnete Geschäftsstelle(n)*

Calculation Agent
*Berechnungsstelle*

☐ Issuing Agent
*Issuing Agent*

☐ Other **[**specify office**]**
*Sonstige* **[***Geschäftsstelle angeben***]**

Required location of Calculation Agent (specify) **[**Yes (specify)/No**]**
*Vorgeschriebener Ort für Berechnungsstelle (angeben)* **[***Ja (angeben)/Nein***]**

**RESOLUTIONS OF HOLDERS; COMMON REPRESENTATIVE (§ [12])**[15]
***BESCHLÜSSE DER GLÄUBIGER; GEMEINSAMER VERTRETER (§ [12])***

Common Representative
*Gemeinsamer Vertreter*

[15] If not applicable, delete this paragraph.
*Falls nicht anwendbar, entfällt dieser Absatz.*

☐ No Common Representative is designated in the Terms and Conditions but the Holders may appoint a Common Representative by majority resolution
*Es wird kein Gemeinsamer Vertreter in den Anleihebedingungen bestellt, die Gläubiger können aber einen Gemeinsamen Vertreter durch Mehrheitsbeschluss bestellen*

☐ Common Representative is appointed in the Terms and Conditions (specify) **[ ]**
*Gemeinsamer Vertreter wird in den Anleihebedingungen bestellt (angeben)*

Further duties and powers of the Common Representative and provision on liability (specify, if any) **[ ]**
*Weitere Aufgaben und Befugnisse sowie Bestimmung zur Haftung des Gemeinsamen Vertreters (angeben, falls vorhanden)*

Further/other provisions for Resolutions of Holders (specify, if any)
*Weitere/abweichende Bestimmungen zu Beschlüssen der Gläubiger (angeben, falls vorhanden)*

**NOTICES (§ [15])**
***MITTEILUNGEN (§ [15])***

**Place and medium of publication**
***Ort und Medium der Bekanntmachung***

❑ Federal Gazette[16]
*Bundesanzeiger*

❑ Luxembourg (Tageblatt)[17]
*Luxemburg (Tageblatt)*

❑ Luxembourg (Luxemburger Wort)[16]
*Luxemburg (Luxemburger Wort)*

❑ Other newspaper (specify)[16] **[ ]**
*Sonstige Zeitung (angeben)*

❑ Website of the stock exchange **[**www.bourse.lu**][**other – specify**]**
*Website der Börse* ***[****www.bourse.lu****][****andere – angeben****]***

❑ Clearing System
*Clearing System*

**LANGUAGE (§ [17])**
***SPRACHE (§ [17])***

**Language of Conditions**[18]
***Sprache der Bedingungen***

☐ German only
*ausschließlich Deutsch*

☐ English only
*ausschließlich Englisch*

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[16] Only applicable where the home member state of the relevant Issuer is Germany.
*Nur anwendbar, wenn Deutschland der Herkunftsstaat der maßgeblichen Emittentin ist.*

[17] Only applicable where such publication is legally required.
Nur anwendbar, falls eine solche Veröffentlichung aufgrund gesetzlicher Bestimmungen vorzunehmen ist.

[18] To be determined in consultation with the Issuer. It is anticipated that, subject to any stock exchange or legal requirements applicable from time to time, and unless otherwise agreed, in the case of Notes in bearer form publicly offered, in whole or in part, in the Federal Republic of Germany, or distributed, in whole or in part, to non-qualified investors in the Federal Republic of Germany, German will be the controlling language. If, in the event of such public offer or distribution to non- qualified investors, however, English is chosen as the controlling language, a German language translation of the Conditions will be available from the office of Volkswagen Financial Services Aktiengesellschaft.
*In Abstimmung mit der Emittentin festzulegen. Es wird erwartet, dass vorbehaltlich geltender Börsen- oder anderer Bestimmungen und soweit nicht anders vereinbart, die deutsche Sprache für Inhaberschuldverschreibungen maßgeblich sein wird, die insgesamt oder teilweise öffentlich zum Verkauf in der Bundesrepublik Deutschland angeboten oder an nicht qualifizierte Anleger in der Bundesrepublik Deutschland verkauft werden. Falls bei einem solchen öffentlichen Verkaufsangebot oder Verkauf an nicht qualifizierte Anleger die englische Sprache als maßgeblich bestimmt wird, wird eine deutschsprachige Übersetzung der Bedingungen bei der Geschäftsstelle der Volkswagen Financial Services Aktiengesellschaft erhältlich sein.*

☐ English and German (English binding)
*Englisch und Deutsch (englischer Text maßgeblich)*

☐ German and English (German binding)
*Deutsch und Englisch (deutscher Text maßgeblich)*

**[Option II. Notes with floating interest rates**
***Option II. Schuldverschreibungen mit variabler Verzinsung***

**CURRENCY, DENOMINATION, FORM, CERTAIN DEFINITIONS (§ 1)**
***WÄHRUNG, STÜCKELUNG, FORM, DEFINITIONEN (§ 1)***

**Currency and Denomination**[19]
***Währung und Stückelung***

Specified Currency **[ ]**
*Festgelegte Währung*

Aggregate Principal Amount **[ ]**
*Gesamtnennbetrag*

Specified Denomination **[ ]**
*Festgelegte Stückelung*

Number of Notes to be issued in the Specified Denomination **[ ]**
*Anzahl der in der Festgelegten Stückelung auszugebenden Schuldverschreibungen*

**Global Note**
***Globalurkunde***

☐ Permanent Global Note
*Dauerglobalurkunde*

☐ Temporary Global Note exchangeable for Permanent Global Note
*Vorläufige Globalurkunde austauschbar gegen Dauerglobalurkunde*

Form of Global Note[20]
*Form der Globalurkunde*

☐ Classical Global Note (CGN)
*Classical global note (CGN)*

☐ New Global Note (NGN)
*New global note (NGN)*

**Clearing System**
***Clearingsystem***

☐ Clearstream Banking AG
Mergenthalerallee 61
65760 Eschborn
Federal Republic of Germany

☐ Clearstream Banking, société anonyme
42 Avenue JF Kennedy
1855 Luxembourg
Grand Duchy of Luxembourg

☐ Euroclear Bank SA/NV
1 Boulevard du Roi Albert II

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[19] In case of Notes, issued by Volkswagen Financial Services Aktiengesellschaft, Volkswagen Leasing GmbH, Volkswagen Financial Services N.V. or Volkswagen Financial Services Australia Pty Limited, the Specified Denomination of the Notes will be, if in euro, at least EUR 1,000, and if in any currency other than euro, an amount in such other currency nearly equivalent to EUR 1,000 at the time of the issue of the Notes. In case of Notes issued by Volkswagen Financial Services Japan Ltd., the Specified Denomination of the Notes will be, if in euro, at least EUR 100,000 and, if in any currency other than euro, an amount in such other currency nearly equivalent to EUR 100,000 at the time of the issue of Notes.
*Die Festgelegte Stückelung der Schuldverschreibungen beträgt im Falle von Schuldverschreibungen, die von der Volkswagen Financial Services Aktiengesellschaft, der Volkswagen Leasing GmbH, der Volkswagen Financial Services N.V. oder der Volkswagen Financial Services Australia Pty Limited begeben werden, mindestens EUR 1.000, bzw. falls die Schuldverschreibungen in einer anderen Währung als Euro begeben werden, einem Betrag in dieser anderen Währung, der zur Zeit der Begebung der Schuldverschreibungen annähernd dem Gegenwert von EUR 1.000 entspricht. Im Fall von Schuldverschreibungen, die von der Volkswagen Financial Services Japan Ltd. begeben werden, beträgt die Festgelegte Stückelung mindesten EUR 100.000, bzw., wenn die Schuldverschreibungen auf eine andere Währung als Euro lauten, einen Betrag in dieser anderen Währung, der zur Zeit der Begebung der Schuldverschreibungen annähernd dem Gegenwert von EUR 100.000 entspricht.*

[20] Complete if the Notes are to be kept in custody by a common safekeeper on behalf of the ICSDs.
*Auszufüllen, falls die Schuldverschreibungen bei einem common safekeeper im Namen der ICSDs gehalten werden sollen.*

1210 Brussels
Belgium

☐ Other (specify) **[ ]**
*Sonstige (angeben)*

**INTEREST (§ 3)**
***ZINSEN (§ 3)***

**Interest Payment Dates**
***Zinszahlungstage***

Interest Commencement Date **[ ]**
*Verzinsungsbeginn*

Specified Interest Payment Dates **[ ]**
*Festgelegte Zinszahlungstage*

Specified Interest Period(s) **[ ] [**weeks/months/other – specify**]**
*Festgelegte Zinsperiode(n)* **[ ] [***Wochen/Monate/andere – angeben***]**

**Business Day Convention**
***Geschäftstagskonvention***

☐ Modified Following Business Day Convention
*Modifizierte-Folgender-Geschäftstag-Konvention*

☐ FRN Convention (specify period(s)) **[ ] [**months/other – specify**]**
*FRN Konvention (Zeitraum angeben)* **[ ] [***Monate/andere – angeben***]**

☐ Following Business Day Convention
*Folgender-Geschäftstag-Konvention*

☐ Preceding Business Day Convention
*Vorangegangener-Geschäftstag-Konvention*

**Business Day**
***Geschäftstag***

☐ Relevant Financial Centres **[**specify all**]**
*Maßgebliche Finanzzentren* **[***alle angeben***]**

☐ TARGET
*TARGET*

**Rate of Interest**
***Zinssatz***

☐ EURIBOR (11.00 a.m. Brussels time/TARGET Business Day/
Interbank Market in the Euro-Zone)
*EURIBOR (11.00 Uhr Brüsseler Ortszeit/TARGET Geschäftstag/*
*Interbankenmarkt in der Euro-Zone)*

Screen page **[ ]**
*Bildschirmseite*

☐ LIBOR (11.00 a.m. London time/
London Interbank Market)
*LIBOR (11.00 Uhr Londoner Ortszeit/*
*Londoner Interbankenmarkt)*

Screen page **[ ]**
*Bildschirmseite*

Business Day **[**London**][**other financial center**]**
*Geschäftstag* **[***London***][***anderes Finanzzentrum***]**

☐ other reference rate (relevant time / location for relevant time / relevant Interbank Market / rounding provision) **[**specify**]**
*Anderer Referenzsatz (relevante Ortszeit / Ort für relevante Ortszeit / relevanter Interbankenmarkt /Rundungsregelung)* **[***angeben***]**

Screen page **[ ]**
*Bildschirmseite*

Business Day **[**financial center**]**
*Geschäftstag* **[***Finanzzentrum***]**

Margin **[ ]** per cent. *per annum*
*Marge* **[ ]***% per annum*

☐ plus
*plus*

☐ minus
*minus*

Interest Determination Date
*Zinsfestlegungstag*

☐ second Business Day prior to commencement of Interest Period
*zweiter Geschäftstag vor Beginn der jeweiligen Zinsperiode*

☐ other (specify) **[ ]**
*sonstige (angeben)*

Reference Banks (if other than as specified in § 3(2)) (specify) **[ ]**
*Referenzbanken (sofern abweichend von § 3 Absatz 2) (angeben)*

**Minimum and Maximum Rate of Interest**
***Mindest- und Höchstzinssatz***

☐ Minimum Rate of Interest **[ ]** per cent. *per annum*
*Mindestzinssatz* **[ ]***% per annum*

☐ Maximum Rate of Interest **[ ]** per cent. *per annum*
*Höchstzinssatz* **[ ]***% per annum*

**Day Count Fraction**
***Zinstagequotient***

☐ Actual/Actual (ISDA)

☐ Actual/Actual (ICMA)

**[**Deemed Interest Commencement Date**]** **[ ]**
**[***Fiktiver Verzinsungsbeginn***]**

**[**Deemed Interest Payment Date(s)**]** **[ ]**
**[***Fiktive(r) Zinszahlungstag(e)***]**

☐ Actual/365 (Fixed)

☐ Actual/360

☐ 30/360 or 360/360 (Bond Basis)

☐ 30E/360 (Eurobond Basis)

**REDEMPTION (§ 4, § 5)**
***RÜCKZAHLUNG (§ 4, § 5)***

**Redemption**
***Rückzahlung***

| | |
|---|---|
| Redemption Month<br>*Rückzahlungsmonat* | **[ ]** |
| Redemption Amount (per Specified Denomination)[21]<br>*Rückzahlungsbetrag (pro Festgelegter Stückelung)* | **[insert percentage or total amount]**<br>**[*prozentualen oder absoluten Betrag angeben*]** |

**Early Redemption**
***Vorzeitige Rückzahlung***

| | |
|---|---|
| **Early Redemption for reason of a Benchmark Event**<br>***Vorzeitige Rückzahlung aufgrund eines Referenzwert-Ereignisses*** | **[**Yes/No**]**<br>**[***Ja/Nein***]** |
| **Early Redemption at the Option of the Issuer**<br>***Vorzeitige Rückzahlung nach Wahl der Emittentin*** | **[**Yes/No**]**<br>**[***Ja/Nein***]** |
| Minimum Redemption Amount<br>*Mindestrückzahlungsbetrag* | **[ ]** |
| Higher Redemption Amount<br>*Höherer Rückzahlungsbetrag* | **[ ]** |
| Call Redemption Date(s)<br>*Wahlrückzahlungstag(e) (Call)* | **[ ]** |
| Call Redemption Amount(s)<br>*Wahlrückzahlungsbetrag/-beträge (Call)* | **[ ]** |
| Minimum Notice to Holders[22]<br>*Mindestkündigungsfrist* | **[ ]** |
| Maximum Notice to Holders<br>*Höchstkündigungsfrist* | **[ ]** |
| **Early Redemption at the Option of a Holder**<br>***Vorzeitige Rückzahlung nach Wahl des Gläubigers*** | **[**Yes/No**]**<br>**[***Ja/Nein***]** |
| Put Redemption Date(s)<br>*Wahlrückzahlungstag(e) (Put)* | **[ ]** |
| Put Redemption Amount(s)<br>*Wahlrückzahlungsbetrag/-beträge (Put)* | **[ ]** |
| Minimum Notice to Issuer[23]<br>*Mindestkündigungsfrist* | **[ ]** days<br>**[ ]** *Tage* |
| Maximum Notice to Issuer (not more than 60 days)<br>*Höchstkündigungsfrist (nicht mehr als 60 Tage)* | **[ ]** days<br>**[ ]** *Tage* |

**Early Redemption Amount**
***Vorzeitiger Rückzahlungsbetrag***

| | |
|---|---|
| Redemption Amount<br>*Rückzahlungsbetrag* | **[**Yes/No**]**<br>**[***Ja/Nein***]** |

[21] The Redemption Amount shall at least be equal to the nominal value.
*Der Rückzahlungsbetrag soll mindestens dem Nennbetrag entsprechen.*
[22] Euroclear and Clearstream require a minimum notice period of 5 business days.
*Euroclear und Clearstream verlangen eine Mindestkündigungsfrist von 5 Geschäftstagen.*
[23] Euroclear and Clearstream require a minimum notice period of 15 business days.
*Euroclear und Clearstream verlangen eine Mindestkündigungsfrist von 15 Geschäftstagen.*

Other Early Redemption Amount **[**set forth details in full here (including possible fall back provisions)**]**

*Anderer Vorzeitiger Rückzahlungsbetrag* **[***Einzelheiten einfügen (einschließlich möglicher Ausweichbestimmungen)***]**

**PAYMENTS (§ 6)**
***ZAHLUNGEN (§ 6)***

**Payment Business Day**
***Zahlungstag***

☐ Relevant Financial Centres **[**specify all**]**
*Maßgebliche Finanzzentren* **[***alle angeben***]**

☐ TARGET
*TARGET*

**ISSUING AGENT**, **PAYING AGENT[S] AND CALCULATION AGENT (§ 7)**
***DIE EMISSIONSSTELLE, DIE ZAHLSTELLE[N] UND DIE BERECHNUNGSSTELLE (§ 7)***

☐ Additional Paying Agent(s)/specified office(s) **[ ]**
*Zahlstelle(n)/bezeichnete Geschäftsstelle(n)*

Calculation Agent
*Berechnungsstelle*

☐ Issuing Agent
*Issuing Agent*

☐ Other **[**specify office**]**
*Sonstige* **[***Geschäftsstelle angeben***]**

Required location of Calculation Agent (specify) **[**Yes (specify)/No**]**
*Vorgeschriebener Ort für Berechnungsstelle (angeben)* **[***Ja (angeben)/Nein***]**

**RESOLUTIONS OF HOLDERS; COMMON REPRESENTATIVE (§ [12])**[24]
***BESCHLÜSSE DER GLÄUBIGER; GEMEINSAMER VERTRETER (§ [12])***

Common Representative
*Gemeinsamer Vertreter*

☐ No Common Representative is designated in the Terms and Conditions but the Holders may appoint a Common Representative by majority resolution
*Es wird kein Gemeinsamer Vertreter in den Anleihebedingungen bestellt, die Gläubiger können aber einen Gemeinsamen Vertreter durch Mehrheitsbeschluss bestellen*

☐ Common Representative is appointed in the Terms and Conditions (specify) **[ ]**
*Gemeinsamer Vertreter wird in den Anleihebedingungen bestellt (angeben)*

Further duties and powers of the Common Representative and provision on liability (specify, if any) **[ ]**
*Weitere Aufgaben und Befugnisse sowie Bestimmung zur Haftung des Gemeinsamen Vertreters (angeben, falls vorhanden)*

Further/other provisions for Resolutions of Holders (specify, if any)
*Weitere/abweichende Bestimmungen zu Beschlüssen der Gläubiger (angeben, falls vorhanden)*

**NOTICES (§ [15])**
***MITTEILUNGEN (§ [15])***

**Place and medium of publication**

[24] If not applicable, delete this paragraph.
*Falls nicht anwendbar, entfällt dieser Absatz.*

***Ort und Medium der Bekanntmachung***

❑ Federal Gazette[25]
*Bundesanzeiger*

❑ Luxembourg (Tageblatt)[26]
*Luxemburg (Tageblatt)*

❑ Luxembourg (Luxemburger Wort)[27]
*Luxemburg (Luxemburger Wort)*

❑ Other newspaper (specify)[27] **[ ]**
*Sonstige Zeitung (angeben)*

❑ Website of the stock exchange **[**www.bourse.lu**][**other – specify**]**
*Website der Börse* ***[****www.bourse.lu****][****andere – angeben****]***

❑ Clearing System
*Clearing System*

**LANGUAGE (§ [17])**
***SPRACHE (§ [17])***

**Language of Conditions**[27]
***Sprache der Bedingungen***

☐ German only
*ausschließlich Deutsch*

☐ English only
*ausschließlich Englisch*

☐ English and German (English binding)
*Englisch und Deutsch (englischer Text maßgeblich)*

☐ German and English (German binding)
*Deutsch und Englisch (deutscher Text maßgeblich)*

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[25] Only applicable where the home member state of the relevant Issuer is Germany.
*Nur anwendbar, wenn Deutschland der Herkunftsstaat der maßgeblichen Emittentin ist.*

[26] Only applicable where such publication is legally required.
Nur anwendbar, falls eine solche Veröffentlichung aufgrund gesetzlicher Bestimmungen vorzunehmen ist.

[27] To be determined in consultation with the Issuer. It is anticipated that, subject to any stock exchange or legal requirements applicable from time to time, and unless otherwise agreed, in the case of Notes in bearer form publicly offered, in whole or in part, in the Federal Republic of Germany, or distributed, in whole or in part, to non-qualified investors in the Federal Republic of Germany, German will be the controlling language. If, in the event of such public offer or distribution to non- qualified investors, however, English is chosen as the controlling language, a German language translation of the Conditions will be available from the office of Volkswagen Financial Services Aktiengesellschaft.
*In Abstimmung mit der Emittentin festzulegen. Es wird erwartet, dass vorbehaltlich geltender Börsen- oder anderer Bestimmungen und soweit nicht anders vereinbart, die deutsche Sprache für Inhaberschuldverschreibungen maßgeblich sein wird, die insgesamt oder teilweise öffentlich zum Verkauf in der Bundesrepublik Deutschland angeboten oder an nicht qualifizierte Anleger in der Bundesrepublik Deutschland verkauft werden. Falls bei einem solchen öffentlichen Verkaufsangebot oder Verkauf an nicht qualifizierte Anleger die englische Sprache als maßgeblich bestimmt wird, wird eine deutschsprachige Übersetzung der Bedingungen bei der Geschäftsstelle der Volkswagen Financial Services Aktiengesellschaft erhältlich sein.*

**[Option III. Notes with fixed to floating interest rates**
***Option III. Schuldverschreibungen mit fester zu variabler Verzinsung***

**CURRENCY, DENOMINATION, FORM, CERTAIN DEFINITIONS (§ 1)**
***WÄHRUNG, STÜCKELUNG, FORM, DEFINITIONEN (§ 1)***

**Currency and Denomination**[28]
***Währung und Stückelung***

Specified Currency **[ ]**
*Festgelegte Währung*

Aggregate Principal Amount **[ ]**
*Gesamtnennbetrag*

Specified Denomination **[ ]**
*Festgelegte Stückelung*

Number of Notes to be issued in the Specified Denomination **[ ]**
*Anzahl der in der Festgelegten Stückelung auszugebenden Schuldverschreibungen*

**Global Note**
***Globalurkunde***

☐ Permanent Global Note
*Dauerglobalurkunde*

☐ Temporary Global Note exchangeable for Permanent Global Note
*Vorläufige Globalurkunde austauschbar gegen Dauerglobalurkunde*

Form of Global Note[29]
*Form der Globalurkunde*

☐ Classical Global Note (CGN)
*Classical global note (CGN)*

☐ New Global Note (NGN)
*New global note (NGN)*

**Clearing System**
***Clearingsystem***

☐ Clearstream Banking AG
Mergenthalerallee 61
65760 Eschborn
Federal Republic of Germany

☐ Clearstream Banking, société anonyme
42 Avenue JF Kennedy
1855 Luxembourg
Grand Duchy of Luxembourg

☐ Euroclear Bank SA/NV
1 Boulevard du Roi Albert II
1210 Brussels

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[28] In case of Notes, issued by Volkswagen Financial Services Aktiengesellschaft, Volkswagen Leasing GmbH, Volkswagen Financial Services N.V. or Volkswagen Financial Services Australia Pty Limited, the Specified Denomination of the Notes will be, if in euro, at least EUR 1,000, and if in any currency other than euro, an amount in such other currency nearly equivalent to EUR 1,000 at the time of the issue of the Notes. In case of Notes issued by Volkswagen Financial Services Japan Ltd., the Specified Denomination of the Notes will be, if in euro, at least EUR 100,000 and, if in any currency other than euro, an amount in such other currency nearly equivalent to EUR 100,000 at the time of the issue of Notes.
*Die Festgelegte Stückelung der Schuldverschreibungen beträgt im Falle von Schuldverschreibungen, die von der Volkswagen Financial Services Aktiengesellschaft, der Volkswagen Leasing GmbH, der Volkswagen Financial Services N.V. oder der Volkswagen Financial Services Australia Pty Limited begeben werden, mindestens EUR 1.000, bzw. falls die Schuldverschreibungen in einer anderen Währung als Euro begeben werden, einem Betrag in dieser anderen Währung, der zur Zeit der Begebung der Schuldverschreibungen annähernd dem Gegenwert von EUR 1.000 entspricht. Im Fall von Schuldverschreibungen, die von der Volkswagen Financial Services Japan Ltd. begeben werden, beträgt die Festgelegte Stückelung mindestens EUR 100.000, bzw., wenn die Schuldverschreibungen auf eine andere Währung als Euro lauten, einem Betrag in dieser anderen Währung, der zur Zeit der Begebung der Schuldverschreibungen annähernd dem Gegenwert von EUR 100.000 entspricht.*

[29] Complete if the Notes are to be kept in custody by a common safekeeper on behalf of the ICSDs.
*Auszufüllen, falls die Schuldverschreibungen bei einem common safekeeper im Namen der ICSDs gehalten werden sollen.*

Belgium

☐ Other – specify **[ ]**
*Sonstige (angeben)*

**INTEREST (§ 3)**
***ZINSEN (§ 3)***

**Fixed Rate Interest Period**
***Festzinsperiode***

Fixed Interest Rate and Interest Payment Dates
*Festzinssatz und Zinszahlungstage*

| | |
|---|---|
| Fixed Interest Rate<br>*Festzinssatz* | **[ ]** per cent. *per annum*<br>**[ ]** *% per annum* |
| | **[**from (and including) **[ ]** to **[ ]** (but excluding)**]**<br>**[***vom (einschließlich)* **[ ]** *bis* **[ ]** *(ausschließlich)***]** |
| Fixed Rate Interest Commencement Date<br>*Festverzinsungsbeginn* | **[ ]** |
| Fixed Rate Interest Payment Date(s)<br>*Festzinszahlungstag(e)* | **[ ]** |
| First Fixed Rate Interest Payment Date<br>*Erster Festzinszahlungstag* | **[ ]** |
| Initial Broken Amount<br>*Anfänglicher Bruchteilzinsbetrag* | **[ ]** |
| Determination Date(s)[30]<br>*Feststellungstermin(e)* | **[ ]** in each year<br>**[ ]** *in jedem Jahr* |

Day Count Fraction (Fixed Rate)
*Zinstagequotient (Festzinssatz)*

☐ Actual/Actual (ISDA)

☐ Actual/Actual (ICMA)

| | |
|---|---|
| **[**Deemed Fixed Rate Interest Commencement Date**]**<br>**[***Fiktiver Festverzinsungsbeginn***]** | **[ ]** |
| **[**Deemed Fixed Rate Interest Payment Date(s)**]**<br>**[***Fiktive(r) Festzinszahlungstag(e)***]** | **[ ]** |

☐ Actual/365 (Fixed)

☐ Actual/360

☐ 30/360 or 360/360 (Bond Basis)

☐ 30E/360 (Eurobond Basis)

**Floating Rate Interest Period**
***Variable Zinsperiode***

Floating Rate Interest Payment Dates

[30] Insert regular interest dates ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant if the Day Count Fraction is Actual/Actual (ICMA).
*Einzusetzen sind die festen Zinstermine, wobei im Falle eines langen oder kurzen ersten oder letzten Kupons der Tag der Begebung bzw. der Fälligkeitstag nicht zu berücksichtigen sind. N.B. nur einschlägig, falls der Zinstagequotient Actual/Actual (ICMA) anwendbar ist.*

*Floating Rate Zinszahlungstage*

Floating Rate Interest Commencement Date **[ ]**
*Floating Rate Verzinsungsbeginn*

Specified Floating Rate Interest Payment Dates **[ ]**
*Festgelegte Floating Rate Zinszahlungstage*

Specified Floating Rate Interest Period(s) **[ ] [**weeks/months/other – specify**]**
*Festgelegte Floating Rate Zinsperiode(n)* **[ ] [***Wochen/Monate/andere – angeben***]**

Business Day Convention
*Geschäftstagskonvention*

☐ Modified Following Business Day Convention
*Modifizierte-Folgender-Geschäftstag-Konvention*

☐ FRN Convention (specify period(s)) **[ ] [**months/other – specify**]**
*FRN Konvention (Zeitraum angeben)* **[ ] [***Monate/andere – angeben***]**

☐ Following Business Day Convention
*Folgender-Geschäftstag-Konvention*

☐ Preceding Business Day Convention
*Vorangegangener-Geschäftstag-Konvention*

Business Day
*Geschäftstag*

☐ Relevant Financial Centres **[**specify all**]**
*Maßgebliche Finanzzentren* **[***alle angeben***]**

☐ TARGET
*TARGET*

Rate of Floating Interest
*Variabler Zinssatz*

☐ EURIBOR (11.00 a.m. Brussels time/TARGET Business Day/
Interbank Market in the Euro-Zone)
*EURIBOR (11.00 Uhr Brüsseler Ortszeit/TARGET Geschäftstag/
Interbankenmarkt in der Euro-Zone)*

Screen page **[ ]**
*Bildschirmseite*

☐ LIBOR (11.00 a.m. London time/
London Interbank Market)
*LIBOR (11.00 Uhr Londoner Ortszeit/
Londoner Interbankenmarkt)*

Screen page **[ ]**
*Bildschirmseite*

Business Day **[**London**][**other financial center**]**
*Geschäftstag* **[***London***][***anderes Finanzzentrum***]**

☐ other reference rate (relevant time / location for relevant time / relevant Interbank Market / rounding provision) **[**specify**]**
*Anderer Referenzsatz (relevante Ortszeit / Ort für relevante Ortszeit / relevanter Interbankenmarkt /Rundungsregelung)* **[***angeben***]**

Screen page **[ ]**
*Bildschirmseite*

Business Day **[**financial center**]**
*Geschäftstag* **[***Finanzzentrum***]**

Margin **[ ]** per cent. *per annum*
*Marge* **[ ]**% *per annum*

☐ plus
*plus*

☐ minus
*minus*

Floating Rate Interest Determination Date
*Floating Rate Zinsfestlegungstag*

☐ second Business Day prior to commencement of Interest Period
*zweiter Geschäftstag vor Beginn der jeweiligen Zinsperiode*

☐ other (specify) **[ ]**
*sonstige (angeben)*

Reference Banks (if other than as specified in § 3(2)) (specify) **[ ]**
*Referenzbanken (sofern abweichend von § 3 Absatz 2) (angeben)*

Minimum and Maximum Rate of Interest
*Mindest- und Höchstzinssatz*

☐ Minimum Rate of Interest **[ ]** per cent. *per annum*
*Mindestzinssatz* **[ ]**% *per annum*

☐ Maximum Rate of Interest **[ ]** per cent. *per annum*
*Höchstzinssatz* **[ ]**% *per annum*

Day Count Fraction (Floating Rate)
*Zinstagequotient (Floating Rate)*

☐ Actual/Actual (ISDA)

☐ Actual/Actual (ICMA)

**[**Deemed Floating Rate Interest Commencement Date**]** **[ ]**
**[***Fiktiver Floating Rate Verzinsungsbeginn***]**

**[**Deemed Interest Payment Date(s)**]** **[ ]**
**[***Fiktive(r) Floating Rate Zinszahlungstag(e)***]**

☐ Actual/365 (Fixed)

☐ Actual/360

☐ 30/360 or 360/360 (Bond Basis)

☐ 30E/360 (Eurobond Basis)

**REDEMPTION (§ 4, § 5)**
***RÜCKZAHLUNG (§ 4, § 5)***

**Redemption**
***Rückzahlung***

Maturity Date **[ ]**
*Fälligkeitstag*

Redemption Month **[ ]**
*Rückzahlungsmonat*

| | |
|---|---|
| Redemption Amount (per Specified Denomination)[31]<br>*Rückzahlungsbetrag (pro Festgelegter Stückelung)* | **[insert percentage or total amount]**<br>**[*prozentualen oder absoluten Betrag angeben*]** |

**Early Redemption**
***Vorzeitige Rückzahlung***

| | |
|---|---|
| **Early Redemption for reason of a Benchmark Event**<br>***Vorzeitige Rückzahlung aufgrund eines Referenzwert-Ereignisses*** | **[**Yes/No**]**<br>**[***Ja/Nein***]** |
| **Early Redemption at the Option of the Issuer**<br>***Vorzeitige Rückzahlung nach Wahl der Emittentin*** | **[**Yes/No**]**<br>**[***Ja/Nein***]** |
| Minimum Redemption Amount<br>*Mindestrückzahlungsbetrag* | **[ ]** |
| Higher Redemption Amount<br>*Höherer Rückzahlungsbetrag* | **[ ]** |
| Call Redemption Date(s)<br>*Wahlrückzahlungstag(e) (Call)* | **[ ]** |
| Call Redemption Amount(s)<br>*Wahlrückzahlungsbetrag/-beträge (Call)* | **[ ]** |
| Minimum Notice to Holders[32]<br>*Mindestkündigungsfrist* | **[ ]** |
| Maximum Notice to Holders<br>*Höchstkündigungsfrist* | **[ ]** |
| **Early Redemption at the Option of a Holder**<br>***Vorzeitige Rückzahlung nach Wahl des Gläubigers*** | **[**Yes/No**]**<br>**[***Ja/Nein***]** |
| Put Redemption Date(s)<br>*Wahlrückzahlungstag(e) (Put)* | **[ ]** |
| Put Redemption Amount(s)<br>*Wahlrückzahlungsbetrag/-beträge (Put)* | **[ ]** |
| Minimum Notice to Issuer[33]<br>*Mindestkündigungsfrist* | **[ ]** days<br>**[ ]** *Tage* |
| Maximum Notice to Issuer (not more than 60 days)<br>*Höchstkündigungsfrist (nicht mehr als 60 Tage)* | **[ ]** days<br>**[ ]** *Tage* |

**Early Redemption Amount**
***Vorzeitiger Rückzahlungsbetrag***

| | |
|---|---|
| Redemption Amount<br>*Rückzahlungsbetrag* | **[**Yes/No**]**<br>**[***Ja/Nein***]** |
| Other Early Redemption Amount<br>*Anderer Vorzeitiger Rückzahlungsbetrag* | **[**set forth details in full here (including possible fall back provisions)**]**<br>**[***Einzelheiten einfügen (einschließlich möglicher Ausweichbestimmungen)***]** |

**PAYMENTS (§ 6)**

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[31] The Redemption Amount shall at least be equal to the nominal value.
*Der Rückzahlungsbetrag soll mindestens dem Nennbetrag entsprechen.*

[32] Euroclear and Clearstream require a minimum notice period of 5 business days.
*Euroclear und Clearstream verlangen eine Mindestkündigungsfrist von 5 Geschäftstagen.*

[33] Euroclear and Clearstream require a minimum notice period of 15 business days.
*Euroclear und Clearstream verlangen eine Mindestkündigungsfrist von 15 Geschäftstagen.*

***ZAHLUNGEN (§ 6)***

**Payment Business Day**
***Zahlungstag***

☐ Relevant Financial Centres **[**specify all**]**
*Maßgebliche Finanzzentren* **[***alle angeben***]**

☐ TARGET
*TARGET*

**ISSUING AGENT**, **PAYING AGENT[S] AND CALCULATION AGENT (§ 7)**
***DIE EMISSIONSSTELLE, DIE ZAHLSTELLE[N] UND DIE BERECHNUNGSSTELLE (§ 7)***

☐ Additional Paying Agent(s)/specified office(s) **[ ]**
*Zahlstelle(n)/bezeichnete Geschäftsstelle(n)*

Calculation Agent
*Berechnungsstelle*

☐ Issuing Agent
*Issuing Agent*

☐ Other **[**specify office**]**
*Sonstige* **[***Geschäftsstelle angeben***]**

Required location of Calculation Agent (specify) **[**Yes (specify)/No**]**
*Vorgeschriebener Ort für Berechnungsstelle (angeben)* **[***Ja (angeben)/Nein***]**

**RESOLUTIONS OF HOLDERS; COMMON REPRESENTATIVE (§ [12])**[34]
***BESCHLÜSSE DER GLÄUBIGER; GEMEINSAMER VERTRETER (§ [12])***

Common Representative
*Gemeinsamer Vertreter*

☐ No Common Representative is designated in the Terms and Conditions but the Holders may appoint a Common Representative by majority resolution
*Es wird kein Gemeinsamer Vertreter in den Anleihebedingungen bestellt, die Gläubiger können aber einen Gemeinsamen Vertreter durch Mehrheitsbeschluss bestellen*

☐ Common Representative is appointed in the Terms and Conditions (specify) **[ ]**
*Gemeinsamer Vertreter wird in den Anleihebedingungen bestellt (angeben)*

Further duties and powers of the Common Representative and provision on liability (specify, if any) **[ ]**
*Weitere Aufgaben und Befugnisse sowie Bestimmung zur Haftung des Gemeinsamen Vertreters (angeben, falls vorhanden)*

Further/other provisions for Resolutions of Holders (specify, if any)
*Weitere/abweichende Bestimmungen zu Beschlüssen der Gläubiger (angeben, falls vorhanden)*

**NOTICES (§ [15])**
***MITTEILUNGEN (§ [15])***

**Place and medium of publication**
***Ort und Medium der Bekanntmachung***

❑ Federal Gazette[35]
*Bundesanzeiger*

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[34] If not applicable, delete this paragraph.
*Falls nicht anwendbar, entfällt dieser Absatz.*

[35] Only applicable where the home member state of the relevant Issuer is Germany.
*Nur anwendbar, wenn Deutschland der Herkunftsstaat der maßgeblichen Emittentin ist.*

❑ Luxembourg (Tageblatt)[36]
*Luxemburg (Tageblatt)*

❑ Luxembourg (Luxemburger Wort)[39]
*Luxemburg (Luxemburger Wort)*

❑ Other newspaper (specify)[39] **[ ]**
*Sonstige Zeitung (angeben)*

❑ Website of the stock exchange **[**www.bourse.lu**][**other – specify**]**
*Website der Börse* ***[****www.bourse.lu****][****andere – angeben****]***

❑ Clearing System
*Clearing System*

**LANGUAGE (§ [17])**
***SPRACHE (§ [17])***

**Language of Conditions**[37]
***Sprache der Bedingungen***

☐ German only
*ausschließlich Deutsch*

☐ English only
*ausschließlich Englisch*

☐ English and German (English binding)
*Englisch und Deutsch (englischer Text maßgeblich)*

☐ German and English (German binding)
*Deutsch und Englisch (deutscher Text maßgeblich)*

[36] Only applicable where such publication is legally required.
Nur anwendbar, falls eine solche Veröffentlichung aufgrund gesetzlicher Bestimmungen vorzunehmen ist.

[37] To be determined in consultation with the Issuer. It is anticipated that, subject to any stock exchange or legal requirements applicable from time to time, and unless otherwise agreed, in the case of Notes in bearer form publicly offered, in whole or in part, in the Federal Republic of Germany, or distributed, in whole or in part, to non-qualified investors in the Federal Republic of Germany, German will be the controlling language. If, in the event of such public offer or distribution to non- qualified investors, however, English is chosen as the controlling language, a German language translation of the Conditions will be available from the office of Volkswagen Financial Services Aktiengesellschaft.
*In Abstimmung mit der Emittentin festzulegen. Es wird erwartet, dass vorbehaltlich geltender Börsen- oder anderer Bestimmungen und soweit nicht anders vereinbart, die deutsche Sprache für Inhaberschuldverschreibungen maßgeblich sein wird, die insgesamt oder teilweise öffentlich zum Verkauf in der Bundesrepublik Deutschland angeboten oder an nicht qualifizierte Anleger in der Bundesrepublik Deutschland verkauft werden. Falls bei einem solchen öffentlichen Verkaufsangebot oder Verkauf an nicht qualifizierte Anleger die englische Sprache als maßgeblich bestimmt wird, wird eine deutschsprachige Übersetzung der Bedingungen bei der Geschäftsstelle der Volkswagen Financial Services Aktiengesellschaft erhältlich sein.*

**Part II.: OTHER INFORMATION**[38]
***Teil II.: WEITERE INFORMATIONEN***

**1. Essential information**
***Grundlegende Angaben***

**Interest of natural and legal persons involved in the issue/offer**
***Interessen von Seiten natürlicher und juristischer Personen, die an der Emission/dem Angebot beteiligt sind***

**[**specify interests of natural and legal persons material to the offer, if known to the Issuer and not already disclosed**]**
**[***Interessen von natürlichen und juristischen Personen, die wesentlich für das Angebot sind und nicht bereits veröffentlicht, hier angeben***]**

| | |
|---|---|
| **Reasons for the offer**[39]<br>***Gründe für das Angebot*** | **[**specify details**]**<br>**[***Einzelheiten einfügen***]** |
| Estimated net proceeds[40]<br>*Geschätzter Nettobetrag der Erträge* | **[ ]** |
| Estimated total expenses of the issue<br>*Geschätzte Gesamtkosten der Emission* | **[ ]** |

**2. Information concerning the Notes (other than those related to specific articles of the terms and conditions)**
***Informationen über die Schuldverschreibungen (andere als die auf bestimmte Artikel der Anleihebedingungen bezogenen)***

**Eurosystem eligibility**[41]
***EZB-Fähigkeit***

| | |
|---|---|
| Intended to be held in a manner which would allow Eurosystem eligibility | **[**Yes/No**]**<br><br>**[**Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Notes will be recognized as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.**]** |

[38] There is no obligation to complete Part II of the Final Terms in its entirety in case of Notes with a Specified Denomination of at least EUR 100,000 or its equivalent in any other currency, provided that such Notes will not be listed on any regulated market within the European Economic Area. To be completed in consultation with the Issuer.
*Es besteht keine Verpflichtung, Teil II der Endgültigen Bedingungen bei Schuldverschreibungen mit einer Festgelegten Stückelung von mindestens EUR 100.000 oder dem Gegenwert in einer anderen Währung vollständig auszufüllen, sofern diese Schuldverschreibungen nicht an einem geregelten Markt innerhalb des Europäischen Wirtschaftsraums zum Handel zugelassen werden. In Absprache mit der Emittentin auszufüllen.*

[39] If reasons for the offer are different from making profit and/or hedging certain risks include those reasons here. Not to be completed in case of Notes with a Specified Denomination of at least EUR 100,000.
*Sofern die Gründe für das Angebot nicht in der Gewinnerzielung und/oder der Absicherung bestimmter Risiken bestehen, sind die Gründe hier anzugeben. Nicht auszufüllen bei Schuldverschreibungen mit einer Festgelegten Stückelung von mindestens EUR 100.000.*

[40] If proceeds are intended for more than one use will need to split out and present in order of priority.
*Sofern die Erträge für verschiedene Verwendungszwecke bestimmt sind, diese aufzuschlüsseln und nach der Priorität der Verwendungszwecke darzustellen.*

[41] Complete e.g. if the Notes are issued in NGN form and to be kept in custody by a common safekeeper on behalf of the ICSDs.
*Auszufüllen, z.B. falls die Schuldverschreibungen als NGN begeben werden und von einem common safekeeper im Namen der ICSDs gehalten werden sollen.*

**[**Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognized as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.**]**

*Soll in EZB-fähiger Weise gehalten werden*

**[***Ja/Nein***]**

**[***Die Wahl „Ja" bedeutet, dass beabsichtigt ist, die Schuldverschreibungen zum Zeitpunkt ihrer Begebung bei einem der ICSDs als common safekeeper, zu hinterlegen. Das bedeutet nicht notwendigerweise, dass die Schuldverschreibungen zum Zeitpunkt ihrer Emission oder zu einem anderen Zeitpunkt während ihrer Laufzeit als geeignete Sicherheit für Zwecke der Geldpolitik oder für Innertageskredite des Eurosystems anerkannt werden. Eine solche Anerkennung hängt von der Beurteilung der EZB ab, dass die Kriterien für die Eignung für das Eurosystem (EZB-Fähigkeit) erfüllt sind.***]**

**[***Wenn die Wahl „Nein" zum Tag dieser Endgültigen Bedingungen festgelegt ist, können die Schuldverschreibungen bei einem der ICSDs als common safekeeper hinterlegt werden, wenn die Kriterien für die Eignung für das Eurosystem (EZB-Fähigkeit) geändert werden und die Schuldverschreibungen diese Kriterien dann erfüllen. Dies bedeutet nicht notwendigerweise, dass die Schuldverschreibungen während ihrer Laufzeit als geeignete Sicherheit für die Zwecke der Geldpolitik oder Innertageskredite des Eurosystems anerkannt werden. Eine solche Anerkennung hängt von der Beurteilung der EZB ab, dass die Kriterien für die Eignung für das*

*Eurosystem (EZB-Fähigkeit) erfüllt sind.***]**

**Securities Identification Numbers**
***Wertpapier-Kenn-Nummern***

| | |
|---|---|
| Common Code<br>*Common Code* | **[ ]** |
| ISIN<br>*ISIN* | **[ ]** |
| German Securities Code<br>*Deutsche Wertpapier-Kenn-Nummer (WKN)* | **[ ]** |
| Any other securities number<br>*Sonstige Wertpapier-Kenn-Nummer* | **[ ]**[42] |

**Yield**[43]
***Rendite***

| | |
|---|---|
| Yield<br>*Rendite* | **[ ]** |

**Information in relation to the underlying** [44]
***Angaben bezüglich des Basiswerts***

| | |
|---|---|
| Description of the underlying the interest rate is based on<br>*Beschreibung des Basiswerts, auf den sich der Zinssatz stützt* | **[**Not applicable**][**specify details**]**<br>**[***Nicht anwendbar***][***Einzelheiten einfügen***]** |
| Details of historic **[**EURIBOR**][**LIBOR**][insert other reference rate]** rates and the further performance as well as their volatility can be obtained from<br>*Einzelheiten zu vergangenen* **[***EURIBOR***]** **[***LIBOR***] [anderen Referenzsatz einfügen]** *Sätzen und Informationen über künftige Entwicklungen sowie ihre Volatilität können abgerufen werden unter* | **[**Reuters **[●]][**specify details**]**<br>**[***Reuters* **[●]][***Einzelheiten einfügen***]** |
| **Resolutions, authorisations and approvals by virtue of which the Notes will be created**<br>***Beschlüsse, Ermächtigungen und Genehmigungen, welche die Grundlage für die Schaffung der Schuldverschreibungen bilden*** | **[**None**][**specify details**]**<br>**[***Keine***][***Einzelheiten einfügen***]** |

**3. Terms and conditions of the offer**[45]
***Bedingungen und Voraussetzungen des Angebots***

**Conditions, offer statistics, expected time table and action required to apply for offer**[46]
***Angebotsstatistiken, erwarteter Zeitplan und erforderliche Maßnahmen zur Umsetzung des Angebots***

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[42] If required, include CFI and/or FISN.
*Soweit notwendig CFI und/oder FISN einfügen.*
[43] Only applicable for Fixed Rate Notes and Zero Coupon Notes.
*Gilt nur für festverzinsliche Schuldverschreibungen und Nullkupon-Schuldverschreibungen.*
[44] Only applicable for Floating Rate Notes or Fixed to Floating Rate Notes.
*Nur bei variabel verzinslichen oder fest zu variabel verzinslichen Schuldverschreibungen anwendbar.*
[45] Only applicable for Notes with a Specified Denomination of less than EUR 100,000.
*Nur bei Schuldverschreibungen mit einer Festgelegten Stückelung von weniger als EUR 100.000 anwendbar.*
[46] Unless specified in the Prospectus. Only applicable for Notes with a Specified Denomination of less than EUR 100,000.
*Soweit nicht bereits im Prospekt beschrieben. Anwendbar nur bei Schuldverschreibungen mit einer Festgelegten Stückelung von weniger als EUR 100.000.*

Conditions to which the offer is subject
*Bedingungen, denen das Angebot unterliegt*

☐ Not applicable
*Nicht anwendbar*

☐ Specify Details **[ ]**
*Einzelheiten einfügen*

Time period, including any possible amendments, during which the offer will be open.
*Frist – einschließlich etwaiger Änderungen – während der das Angebot vorliegt.*

☐ Not applicable
*Nicht anwendbar*

☐ Specify Details **[ ]**
*Einzelheiten einfügen*

Description of the application process.
*Beschreibung des Prozesses für die Umsetzung des Angebots.*

☐ Not applicable
*Nicht anwendbar*

☐ Specify Details **[ ]**
*Einzelheiten einfügen*

A description of the possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants.
*Beschreibung der Möglichkeit zur Reduzierung der Zeichnungen und der Art und Weise der Erstattung des zu viel gezahlten Betrags an die Zeichner.*

☐ Not applicable
*Nicht anwendbar*

☐ Specify Details **[ ]**
*Einzelheiten einfügen*

Details of the minimum and/or maximum amount of application, (whether in number of notes or aggregate amount to invest).
*Einzelheiten zum Mindest- und/oder Höchstbetrag der Zeichnung (entweder in Form der Anzahl der Schuldverschreibungen oder des aggregierten zu investierenden Betrags).*

☐ Not applicable
*Nicht anwendbar*

☐ Specify Details **[ ]**
*Einzelheiten einfügen*

Method and time limits for paying up the notes and for delivery of the notes.
*Methode und Fristen für die Bedienung der Wertpapiere und ihre Lieferung.*

☐ Not applicable
*Nicht anwendbar*

☐ Specify Details **[ ]**
*Einzelheiten einfügen*

Manner and date in which results of the offer are to be made public.
*Art und Weise und Termin, auf die bzw. an dem die Ergebnisse des Angebots offen zu legen sind.*

☐ Not applicable
*Nicht anwendbar*

☐ Specify Details **[ ]**
*Einzelheiten einfügen*

The procedure for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised.
*Verfahren für die Ausübung eines etwaigen Vorzugsrechts, die Marktfähigkeit der Zeichnungsrechte und die Behandlung der nicht ausgeübten Zeichnungsrechte.*

☐ Not applicable
*Nicht anwendbar*

☐ Specify Details **[ ]**
*Einzelheiten einfügen*

**Plan and distribution and allotment**
***Plan für die Aufteilung und die Zuteilung***

If the offer is being made simultaneously in the markets of two or more countries and if a tranche has been or is being reserved for certain of these, indicate any such tranche.
*Erfolgt das Angebot gleichzeitig auf den Märkten in zwei oder mehreren Ländern und wurde/wird eine bestimmte Tranche einigen dieser Märkte vorbehalten, Angabe dieser Tranche.*

❑ Not applicable
*Nicht anwendbar*

❑ Specify Details
*Einzelheiten einfügen*

Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made.
*Verfahren zur Meldung des den Zeichnern zugeteilten Betrags und Angabe, ob eine Aufnahme des Handels vor dem Meldeverfahren möglich ist.*

☐ Not applicable
*Nicht anwendbar*

☐ Specify Details **[ ]**
*Einzelheiten einfügen*

**Pricing**
***Kursfeststellung***

Expected price at which the Notes will be offered
*Preis zu dem die Schuldverschreibungen voraussichtlich angeboten werden*

☐ Not applicable
*Nicht anwendbar*

☐ Specify Details **[ ]**
*Einzelheiten einfügen*

Amount of expenses and taxes charged to the subscriber / purchaser
*Kosten/Steuern, die dem Zeichner/Käufer in Rechnung gestellt werden*

☐ Not applicable
*Nicht anwendbar*

☐ Specify Details **[ ]**
*Einzelheiten einfügen*

**Placing and underwriting**
***Platzierung und Emission***

Name and address of the co-ordinator(s) of the global offer and of single parts of the offer and, to the extent known to the Issuer or the offeror, of the placers in the various countries where the offer takes place.[47]
*Name und Anschrift des Koordinators/der Koordinatoren des globalen Angebots oder einzelner Teile des*

[47] Only applicable for Notes with a Specified Denomination of less than EUR 100,000.
*Nur anwendbar für Schuldverschreibungen mit einer Festgelegten Stückelung von weniger als EUR 100.000.*

*Angebots und – sofern dem Emittenten oder dem Bieter bekannt – Angaben zu den Platzeuren in den einzelnen Ländern des Angebots.*

☐ Not applicable
*Nicht anwendbar*

☐ Specify Details
*Einzelheiten einfügen*

**Method of distribution**
***Vertriebsmethode***

☐ Non-syndicated
*Nicht syndiziert*

☐ Syndicated
*Syndiziert*

**Management Details including form of commitment**
***Einzelheiten bezüglich des Bankenkonsortiums einschließlich der Art der Übernahme***

| | |
|---|---|
| Management Group or Dealer<br>*Bankenkonsortium oder Platzeur* | **[**specify name(s) and address(es)**]**<br>**[***Name(n) und Anschrift(en) angeben***]** |
| ☐ Firm commitment<br>*Feste Zusage* | **[ ]** |
| ☐ No firm commitment / best efforts arrangements<br>*Ohne feste Zusage / zu den bestmöglichen Bedingungen* | **[ ]** |

**Commissions**[48]
***Provisionen***

| | |
|---|---|
| Management/Underwriting Commission (specify)<br>*Management- und Übernahmeprovision (angeben)* | **[ ]** |
| Selling Concession (specify)<br>*Verkaufsprovision (angeben)* | **[ ]** |
| Other (specify)<br>*Andere (angeben)* | |
| **Stabilising Dealer/Manager**<br>***Kursstabilisierender Dealer/Manager*** | **[**insert details**] [**None**]**<br>**[***Einzelheiten einfügen***] [***Keiner***]** |

**Subscription Agreement**[49]
***Übernahmevertrag***

| | |
|---|---|
| Date of Subscription Agreement<br>*Datum des Übernahmevertrags* | **[ ]** |
| General features of the Subscription Agreement<br>*Angabe der Hauptmerkmale des Übernahmevertrags* | **[ ]** |

**Selling Restrictions**
***Verkaufsbeschränkungen***

| | |
|---|---|
| Prohibition of Sales to EEA Retail Investors[50] | [Not Applicable][Applicable] |

[48] Only applicable for Notes with a Specified Denomination of less than EUR 100,000.
*Nur bei Schuldverschreibungen mit einer Festgelegten Stückelung von weniger als EUR 100.000 anwendbar.*

[49] Only applicable for Notes with a Specified Denomination of less than EUR 100,000.
*Nur bei Schuldverschreibungen mit einer Festgelegten Stückelung von weniger als EUR 100.000 anwendbar.*

[50] If the Notes clearly do not constitute "packaged" products, "Not Applicable" should be specified. If the Notes may constitute "packaged" products and no key information document ("KID") will be prepared, "Applicable" should be specified.

*Verbot des Verkaufs an Kleinanleger*[51] **[***Nicht Anwendwar***][***Anwendbar***]**

Non-exempt Offer **[**Not Applicable**] [**An offer of the Notes may be made by the **[**Dealers**] [**and/or each further credit institution subsequently reselling or finally placing Notes**]** other than pursuant to Article 3(2) of the Prospectus Directive in **[**Luxembourg**][,] [**and**]** **[**Germany**][,] [**and**] [**The Netherlands**][,]** **[**and**] [**the United Kingdom**][,] [**and**]** **[**Ireland**][,] [**and**] [**Austria**]** (the "**Offer State[s]**") during the period commencing from**[**, and including,**]** **[specify date] [**to**[**, and including,**][specify date]]** (the "**Offer Period**")**] [Specify further/ other details]**

*Prospektpflichtiges Angebot* **[***Nicht anwendbar***] [***Die Schuldverschreibungen können* **[***von den Platzeuren***] [***und/oder weiteren Kreditinstituten, die nachfolgend die Schuldverschreibungen weiterverkaufen oder endgültig platzieren***]** *außerhalb des Anwendungsbereichs des Artikel 3(2) der Prospektrichtlinie in* **[***Luxemburg***][,][***und***]** **[***Deutschland***][,] [***und***] [***den Niederlanden***][,] [***und***]** **[***im Vereinigten Königreich***] [,] [***und***] [***Irland***][,]** **[***und***] [***Österreich***] [***das "***Angebotsland***"] [***die "***Angebotsländer***"]** *während des Zeitraums ab* **[*Datum einfügen*] [***(einschließlich)***]** *bis* **[*Datum einfügen*] [***(einschließlich)***]]** *(die "***Angebotsfrist***") öffentlich angeboten werden.***] [*Weitere/andere Einzelheiten einfügen***]**

**4. Admission to trading and dealing agreements**
***Zulassung zum Handel und Handelsregeln***

**Listing(s) and admission to trading** **[**Yes/No**]**
***Börsenzulassung(en) und Zulassung zum Handel*** **[***Ja/Nein***]**

☐ Luxembourg

☐ Regulated Market "*Bourse de Luxembourg*"
*Geregelter Markt "Bourse de Luxembourg"*

☐ Other (insert details)[52] **[ ]**
*Sonstige (Einzelheiten einfügen)*

Estimate of the total expenses related to admission to trading[53] **[ ]**
*Geschätzte Gesamtkosten für die Zulassung zum Handel*

Date of admission **[ ]**
*Termin der Zulassung*

All regulated markets or equivalent markets on which, to the knowledge of the Issuer, notes of the same class of the notes to be offered or admitted to trading are already admitted to trading.[54]

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[51] *Falls die Schuldverschreibungen eindeutig kein „verpacktes" Produkt darstellen, sollte „Nicht Anwendbar" ausgewählt werden. Wenn die Schuldverschreibungen möglicherweise ein „verpacktes" Produkt darstellen und kein Basisinformationsblatt erstellt wird, sollte „Anwendbar" ausgewählt werden.*

[52] To be completed if the Notes are admitted to a regulated market for the purposes of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (recast), and to be listed on the official list of the Luxembourg Stock Exchange
*Auszufüllen wenn die Schuldverschreibungen an einem regulierten Markt im Sinne der Richtlinie 2014/65/EU des Europäischen Parlaments und des Rates vom 15. Mai 2014 über Märkte für Finanzinstrumente, zur Änderung der Richtlinien 2002/92/EG und 2011/61/EU (Neufassung) außerhalb Luxemburgs zugelassen werden.*

[53] Not required for Notes with a Specified Denomination of less than EUR 100,000.
*Nicht erforderlich bei Schuldverschreibungen mit einer Festgelegten Stückelung von weniger als EUR 100.000.*

[54] Only applicable in case of an increase. In case of a fungible issue, need to indicate that the original notes are already admitted to trading. Not required in case of Notes with a Specified Denomination of less than EUR 100,000.

*Angabe sämtlicher regulierter oder gleichwertiger Märkte, auf denen nach Kenntnis der Emittentin Schuldverschreibungen der gleichen Wertpapierkategorie, die zum Handel angeboten oder zugelassen werden sollen, bereits zum Handel zugelassen sind.*

☐ Regulated Market "*Bourse de Luxembourg*"
*Geregelter Markt "Bourse de Luxembourg"*

☐ Other (insert details) **[ ]**
*Sonstige (Einzelheiten einfügen)*

Name and address of the entities which have committed themselves to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment[55]
*Name und Anschrift der Institute, die aufgrund einer Zusage als Intermediäre im Sekundärhandel tätig sind und Liquidität mittels Geld- und Briefkursen schaffen, und Beschreibung des wesentlichen Inhalts ihrer Zusage*

☐ Not applicable
*Nicht anwendbar*

☐ Specify Details **[ ]**
*Einzelheiten einfügen*

**5. Additional information**
***Zusätzliche Informationen***

**Rating**[56] **[ ]**
***Rating***

**[**specify whether the relevant rating agency is established in the European Union and is registered pursuant to Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as most recently amended by Regulation (EU) No 462/2013 and is included in the list of registered credit rating agencies published on the website of the European Securities and Markets Authority at http://www.esma.europa.eu/page/List-registered-and-certified-CRAs. **[**Credit ratings are for distribution only to a person (a) who is not a "retail client" within the meaning of section 761G of the Corporations Act 2001 of Australia ("**Australian Corporations Act**") and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Parts 6D.2 or 7.9 of the Australian Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with any applicable law in any jurisdiction in which the person may be located.**]**[57]**]**
**[***Angeben, ob die jeweilige Ratingagentur ihren Sitz innerhalb der Europäischen Union hat und gemäß Verordnung (EG) Nr. 1060/2009 des Europäischen Parlaments und des Rates vom 16. September 2009 über Ratingagenturen zuletzt abgeändert durch die Verordnung (EU) Nr. 462/2013 registriert und in der Liste der registrierten Ratingagenturen der Europäische Wertpapier- und Marktaufsichtsbehörde unter http://www.esma.europa.eu/page/List-registered-and-certified-CRAs aufgeführt ist.* **[***Kreditratings sind nur für die Weitergabe an eine Person, die (a) kein Kleinanleger ("retail client") im Sinne des § 761G des australischen Corporations Act 2011 ("**Australischer Corporations Act**") und gleichzeitig ein erfahrener Anleger, professioneller Anleger oder ander Anleger ist, gegenüber dem eine Offenlegeung unter den Abschnitten 6D.2 oder 7.9 des Australischen Corporations Act nicht vorausgesetzt ist, und (b) der es entsprechend dem anwendbaren Recht in einer Jurisdiktion, in der die Person ihren Sitz haben kann, anderweitig gestattet ist, Kreditratings zu empfangen.***]]**

Other relevant terms and conditions (specify) **[ ]**
*Andere relevante Bestimmungen (einfügen)*

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*Nur anwendbar im Falle einer Aufstockung. Im Falle einer Aufstockung, die mit einer vorangegangenen Emission fungibel ist, ist die Angabe erforderlich, dass die ursprünglichen Schuldverschreibungen bereits zum Handel zugelassen sind. Nicht erforderlich bei Schuldverschreibungen mit einer Festgelegten Stückelung von weniger als EUR 100.000.*

[55] Not applicable in the case of Notes with a with a Specified Denomination of at least EUR 100,000.
*Nicht anwendbar bei Schuldverschreibungen mit einer Festgelegten Stückelung von mindestens EUR 100.000.*

[56] Include rating of the Issuer and/or the Notes (if any). In case of Notes with a Specified Denomination of less than EUR 100,000, need to include a brief explanation of the meaning of the ratings if this has been previously published by the rating provider.
*Rating der Emittentin und/oder der Schuldverschreibungen, falls vorhanden, einfügen. Bei Schuldverschreibungen mit einer Festgelegten Stückelung von weniger als EUR 100.000, kurze Erläuterung der Bedeutung des Ratings wenn dieses unlängst von der Ratingagentur erstellt wurde.*

[57] Include only in case of VWFSAL as Issuer.
*Nur im Fall der VWFSAL als Emittentin einfügen.*

**[Listing:**[58]
***Börsenzulassung:***

The above Final Terms comprise the details required to list this issue of Notes (as from **[insert Issue Date for the Notes]**) pursuant to the EUR 35,000,000,000 Debt Issuance Programme of Volkswagen Financial Services Aktiengesellschaft, Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd and Volkswagen Financial Services Australia Pty Limited.

*Die vorstehenden Endgültigen Bedingungen enthalten die Angaben, die für die Zulassung dieser Emission von Schuldverschreibungen gemäß dem EUR 35.000.000.000 Debt Issuance Programme der Volkswagen Financial Services Aktiengesellschaft, Volkswagen Leasing GmbH, Volkswagen Financial Services N.V., Volkswagen Financial Services Japan Ltd. und* Volkswagen Financial Services Australia Pty Limited *(ab dem* **[*Tag der Begebung der Schuldverschreibungen einfügen*]***)* erforderlich sind.**]**

**6. Information to be provided regarding the consent by the Issuer or person responsible for drawing up the Prospectus**
***Zur Verfügung zu stellende Informationen über die Zustimmung des Emittenten oder der für die Erstellung des Prospekts zuständigen Person***

| | |
|---|---|
| **Consent to use Prospectus** | **[**Not applicable**][**The Issuer consents to the use of the Prospectus by all credit institutions (general consent) and accepts responsibility for the content of the Prospectus also with respect to subsequent resale or final placement of the Notes by any credit institution which was given consent to use the Prospectus.<br><br>Such general consent for the subsequent resale or final placement of the Notes by the credit institution is given in relation to public offers in the Offer State**[**s**]** only.<br><br>The subsequent resale or final placement of Notes by credit institutions can be made during the Offer Period.<br><br>**[**Additionally, the Issuer may grant its consent to the use of the Prospectus for any resale or final placement of the relevant Notes in the Offer State**[**s**]** following the end of such Offer Period to any financial intermediary (individual consent), the name and address of which shall be published on the website of Volkswagen Financial Services Aktiengesellschaft (www.vwfs.com).**]**<br><br>In the event of a public offer being made by a credit institution, this credit institution will provide information to investors on the terms and conditions of the offer at the time the offer is made.<br><br>**Any credit institution using the Prospectus based on the general consent for public offerings has to state on its website that it uses the Prospectus in accordance with this consent and the conditions attached thereto.][Specify further/other details]** |
| ***Einwilligung zur Nutzung des Prospekts*** | **[***Nicht anwendbar***][***Die Emittentin stimmt der Verwendung des Prospekts durch alle Kreditinstitute zu (Generalkonsens) und erklärt, dass sie die Haftung für den Inhalt des Prospekts* |

[58] Include only in the version of the Final Terms which are submitted to the relevant stock exchange in the case of Notes to be listed on such stock exchange.
*Nur in derjenigen Fassung der Endgültigen Bedingungen einzufügen, die der betreffenden Börse, bei der die Schuldverschreibungen zugelassen werden sollen, vorgelegt wird.*

*auch hinsichtlich einer späteren Weiterveräußerung oder endgültigen Platzierung von Schuldverschreibungen durch Kreditinstitute übernimmt, die die Zustimmung zur Verwendung des Prospekts erhalten haben.*

*Der Generalkonsens zu der späteren Weiterveräußerung oder der endgültigen Platzierung der Schuldverschreibungen durch Kreditinstitute wird nur in Bezug auf öffentliche Angebote in* **[***dem Angebotsland***][***den Angebotsländern***]** *erteilt.*

*Die spätere Weiterveräußerung oder endgültige Platzierung der Wertpapiere durch Kreditinstitute kann während der Angebotsfrist erfolgen.*

**[***Zudem erteilt die Emittentin ihre Zustimmung zur Weiterveräußerung oder der endgültigen Platzierung der entsprechenden Wertpapiere in* **[***dem* Angebotsland**][**den *Angebotsländern***]** *bis zum Ende der Angebotsfrist durch sämtliche Finanzintermediäre (Individualkonsens), deren Name und Adresse auf der Website der Volkswagen Financial Services Aktiengesellschaft (www.vwfs.com) veröffentlicht werden.***]**
*Falls ein Kreditinstitut ein öffentliches Angebot macht, wird dieses Kreditinstitut die Anleger zum Zeitpunkt der Angebotsvorlage über die Angebotsbedingungen unterrichten.*

***Jedes den Prospekt für öffentliche Angebote auf Basis des Generalkonsens verwendende Kreditinstitut hat auf seiner Website anzugeben, dass es den Prospekt mit Zustimmung und gemäß den Bedingungen verwendet, an die die Zustimmung gebunden ist.*****][Weitere/andere Einzelheiten einfügen]**

**[Volkswagen Financial Services Aktiengesellschaft**
(as Issuer)
*(als Emittentin)***]**

**[Volkswagen Leasing GmbH**
(as Issuer)
*(als Emittentin)***]**

**[Volkswagen Financial Services N.V.**
(as Issuer)
*(als Emittentin)***]**

**[Volkswagen Financial Services Japan Ltd.**
(as Issuer)
*(als Emittentin)***]**

**[Volkswagen Financial Services Australia Pty Limited**
(as Issuer)
*(als Emittentin)***]**

# Use of Proceeds

Except as otherwise disclosed in the relevant Final Terms the net proceeds from each issue of Notes will be primarily used for business activities of VWFSAG Group.

# Taxation

*The following is a general discussion of certain German, Dutch, Luxembourg, United Kingdom, Irish and Austrian, Japanese and Australian tax consequences of the acquisition and ownership of Notes. The concrete tax consequences always depend on the specific Final Terms. This discussion does not purport to be a comprehensive description of all tax considerations which may be relevant to a decision to purchase Notes. In particular, this discussion does not consider any specific facts or circumstances that may apply to a particular purchaser. This overview is based on the laws of the Federal Republic of Germany, the Netherlands, the Grand Duchy of Luxembourg, the United Kingdom, the Republic of Ireland, the Republic of Austria, Japan and the Commonwealth of Australia currently in force and as applied at the date of this Prospectus. The applicable legal situation and its interpretation by the tax authorities may be subject to change, and under some circumstances these changes may also be retroactive or retrospective.*

***PROSPECTIVE PURCHASERS OF NOTES ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF NOTES, INCLUDING THE EFFECT OF ANY STATE OR LOCAL TAXES, UNDER THE TAX LAWS OF THE FEDERAL REPUBLIC OF GERMANY, THE NETHERLANDS, THE GRAND DUCHY OF LUXEMBOURG, THE UNITED KINGDOM, THE REPUBLIC OF IRELAND, THE REPUBLIC OF AUSTRIA, JAPAN AND THE COMMONWEALTH OF AUSTRALIA AND EACH OTHER COUNTRY OF WHICH THEY ARE RESIDENTS.***

## 1. Taxation in the Federal Republic of Germany

### Income tax

*Notes held by private individuals tax resident in Germany as private assets*

- Taxation of interest

Payments of interest on the Notes to Holders who are private individuals tax resident in Germany *(i.e.,* persons whose residence or habitual abode is located in Germany) are subject to German income tax. In each case where German income tax arises, a solidarity surcharge *(Solidaritätszuschlag)* is levied in addition. Furthermore, church tax may be levied, if applicable.

On payments of interest on the Notes to private individuals tax resident in Germany income tax is generally levied as a flat rate withholding tax at a rate of 25 per cent. (plus solidarity surcharge in an amount of 5.5 per cent. of such tax, resulting in a total tax charge of 26.375 per cent.; plus church tax if applicable). The total investment income of an individual will be decreased by a lump sum deduction (*Sparer-Pauschbetrag*) of EUR 801 (EUR 1,602 for married couples and for partners in accordance with the registered partnership law (*Gesetz über die Eingetragene Lebenspartnerschaft*) filing jointly), not by a deduction of expenses actually incurred (please see also the subsequent paragraph "*Taxation of capital gains*") .

If the Notes are held in a custodial account which the Holder maintains with a German branch of a German or non-German bank or financial services institution, each as defined in the German Banking Act (*Gesetz über das Kreditwesen*) or with a securities trading business or a securities trading bank in Germany (the "**Disbursing Agent**") the flat rate withholding tax will be levied by way of withholding at the aforementioned rate from the gross interest payment to be made by the Disbursing Agent. For individuals subject to church tax an electronic information system for church withholding tax purposes applies in relation to investment income, with the effect that church tax will be collected automatically by the Disbursing Agent by way of withholding unless the Holder has filed a blocking notice (*Sperrvermerk*) with the German Federal Central Tax Office (*Bundeszentralamt für Steuern*) in which case the investor will be assessed to church tax.

In general, no withholding tax will be levied if the Holder is an individual (i) whose Note does not form part of the property of a trade or business and (ii) who filed a withholding exemption certificate *(Freistellungsauftrag)* with the Disbursing Agent but only to the extent the interest income derived from the Note together with other investment income does not exceed the maximum exemption amount shown on the withholding exemption certificate. Similarly, no withholding tax will be deducted if the Holder has submitted to the Disbursing Agent a certificate of non-assessment *(Nichtveranlagungs-Bescheinigung)* issued by the relevant local tax office.

If no Disbursing Agent is involved in the payment process the Holder will have to include its income on the Notes in its tax return and the flat rate withholding tax of 25 per cent. plus solidarity surcharge (and if applicable church tax) will be collected by way of assessment.

Payment of the flat rate withholding tax will generally satisfy any income tax liability of the Holder in respect of such investment income. Holders may apply for a tax assessment on the basis of general rules applicable to them if the resulting income tax burden is lower than 25 per cent. (*Günstigerprüfung*).

Currently, discussions are underway aiming to partly abolish the current system of a flat tax regime for interest income received by private investors. While it is not yet clear if and to what extent the above outlined flat tax regime will be amended, it is likely that any such amendment may lead to a higher tax burden of private investors whose individual tax rate exceeds 25 per cent..

- Taxation of capital gains

Also capital gains realized by individual tax residents of the Federal Republic of Germany from the disposition, redemption, repayment or assignment of the Notes, including interest having accrued up to the disposition of the Notes and credited separately (*Stückzinsen*, "**Accrued Interest**"), if any, will be subject to the flat rate withholding tax on investment income at a rate of 25 per cent. (plus solidarity surcharge in an amount of 5.5 per cent. of such tax, resulting in a total tax charge of 26.375 per cent. plus church tax if applicable), irrespective of any holding period. This will also apply to Notes on which the principal is effectively repaid in whole or in part although the repayment was not guaranteed.

Apart from the annual lump-sum deduction (*Sparer-Pauschbetrag*) for investment income as explained above at "*Notes held by tax residents as private assets – Taxation of interest*" investors holding the Notes as private assets will not be entitled to deduct expenses incurred in connection with the investment in the Notes from their income. In addition, such holders could not offset losses from the investment in the Notes against other type of income (e.g. employment income). Losses from investment income as well as negative income from investment income (such as Accrued Interest paid upon the acquisition of privately held Notes) can only be set off with income from capital investments. Any losses not offset in a given year may be carried forward to future years and may only be deducted from income from capital investments. However, it has not been finally determined under which circumstances a loss is effectively recognized for tax purposes, see for example the decision of the German Federal Court of Finance (court decision dated 12 June 2018, VIII R 32/16) as regards the recognition of deductible losses in case of a disposal (*Veräußerung*). Therefore, current case law and the floating view of the tax authorities need to be observed.

If the Notes are held in a custodial account which the Holder maintains with a Disbursing Agent the flat rate withholding tax will be levied by way of withholding from the difference between proceeds from the disposition, redemption, repayment or assignment on the one hand and the issue price (or the purchase price) and disposal costs of the Notes on the other hand. If the Notes have been transferred into the custodial account of the Disbursing Agent only after their acquisition, and no evidence on the acquisition data has been provided to the new Disbursing Agent by the Disbursing Agent which previously kept the Notes in its custodial account, withholding tax will be levied on 30 per cent. of the proceeds from the disposition or redemption of the Notes.

If the Notes are not kept in a custodial account with a Disbursing Agent and proceeds from the disposition,redemption, repayment or assignment of the Notes are paid or credited upon delivery of the Notes to the Holder of such Notes (other than a non-German bank or financial services institution), withholding tax at the aforementioned rate must also be levied by the Disbursing Agent upon 30 per cent. of the gross amount of the proceeds.

If no Disbursing Agent is involved in the payment process the Holder will have to include capital gains from the disposition, redemption, repayment or assignment of the Notes in its tax return and the flat rate withholding tax of 25 per cent. plus solidarity surcharge (and church tax if applicable) will be collected by way of assessment.

Payment of the flat rate withholding tax will generally satisfy any income tax liability of the Holder in respect of such investment income. Holders may apply for a tax assessment on the basis of general rules applicable to them if the resulting income tax burden is lower than 25 per cent (*Günstigerprüfung*).

*Notes held by tax residents as business assets*

Payments of interest on Notes and capital gains from the disposition,redemption, repayment or assignment of Notes held as business assets by German tax resident individuals or corporations (including via a partnership, as the case may be), are generally subject to German income tax or corporate income tax (in each case plus solidarity surcharge; if tax payer is not a corporation church tax may apply). The interest and capital gain will also be subject to trade tax if the Notes form part of the property of a German trade or business.

If the Notes are held in a custodial account which the Holder maintains with a Disbursing Agent tax at a rate of 25 per cent. (plus a solidarity surcharge of 5.5 per cent. of such tax) will also be withheld from interest payments on Notes and generally also from capital gains from the disposition, redemption, repayment or assignment of Notes held as business assets. In these cases the withholding tax does not satisfy the income tax liability of the Holder from the respective investment income, as in the case of the flat rate withholding tax, but will be credited as advance payment against the personal income or corporate income tax liability and the solidarity surcharge liability of the Holder.

With regard to capital gains no withholding will generally be required in the case of Notes held by corporations resident in Germany provided that in the case of corporations of certain legal forms the status of corporation has been evidenced by a certificate of the competent tax office, and upon application in the case of Notes held by individuals or partnerships as business assets.

*Notes held by non-residents*

Interest and capital gains are not subject to German taxation in the case of non-residents, *i.e.,* persons having neither their residence nor their habitual abode nor legal domicile nor place of effective management in Germany, unless the Notes form part of the business property of a permanent establishment maintained in Germany or a held through a German permanent representative or payments are paid within the scope of so-called over-the-counter transactions. Interest may, however, also be subject to a limited German income tax liability if it otherwise constitutes income taxable in Germany, such as distributions payable under debt-like jouissance rights, profit participating loans, income from the letting and leasing of certain German-situs property or income from certain capital investments directly or indirectly secured by German situs real estate.

Non-residents of Germany are in general exempt from German withholding tax on interest and capital gains and from solidarity surcharge thereon. However, if the interest or capital gain is subject to German taxation as set forth in the preceding paragraph and the Notes are held in a custodial account with a Disbursing Agent, withholding tax will be levied as explained above at "*Notes held by tax residents as business assets*" or at "*Notes held by tax residents as private assets*", respectively.

If the Notes are not kept in a custodial account with a Disbursing Agent such payments will also be subject to withholding tax to the extent and at a rate as explained above at "*Notes held by tax residents as private assets*".

Generally, German withholding taxes may be levied, even if the right to tax the income is, e.g. due to a double taxation treaty, not with Germany. However, under certain conditions, the investor in the Notes may be eligible for a full or partial refund.

**Other Taxes**

No stamp, issue, registration or similar taxes or duties will be payable in Germany in connection with the issuance, delivery or execution of the Notes. Currently, net assets tax (*Vermögensteuer*) is not levied in Germany.

**OECD Common Reporting Standard and the amended Mutual Assistance Directive**

In Germany, the amended EU Mutual Assistance Directive and the OECD Common Reporting Standard were implemented by the Act on the Exchange of Financial Accounts Information (*Finanzkonten-Informationsaustauschgesetz* – **FKAustG**) which became effective as of 31 December 2015.

**2. Taxation in The Netherlands**

***General***

The following summary outlines the principal Netherlands tax consequences of the acquisition, holding, settlement, redemption and disposal of the Notes, but does not purport to be a comprehensive description of all Netherlands tax considerations that may be relevant. For purposes of Netherlands tax law, a holder of Notes may include an individual or entity who does not have the legal title of these Notes, but to whom nevertheless the Notes or the income thereof is attributed based on specific statutory provisions or on the basis of such individual or entity having an interest in the Notes or the income thereof. This summary is intended as general information only and each prospective investor should consult a professional tax adviser with respect to the tax consequences of the acquisition, holding, settlement, redemption and disposal of the Notes.

This summary is based on tax legislation, published case law, treaties, regulations and published policy, in each case as in force as of the date of this Base Prospectus, and does not take into account any developments or amendments thereof after that date whether or not such developments or amendments have retroactive effect.

This summary does not address the Netherlands tax consequences for:

(i) investment institutions (*fiscale beleggingsinstellingen*);

(ii) pension funds, exempt investment institutions (*vrijgestelde beleggingsinstellingen*) or other Netherlands tax resident entities that are not subject to or exempt from Netherlands corporate income tax;

(iii) holders of Notes holding a substantial interest (*aanmerkelijk belang*) or deemed substantial interest (*fictief aanmerkelijk belang*) in an Issuer and holders of Notes of whom a certain related person holds a

substantial interest in an Issuer. Generally speaking, a substantial interest in an Issuer arises if a person, alone or, where such person is an individual, together with his or her partner (statutorily defined term), directly or indirectly, holds or is deemed to hold (i) an interest of 5% or more of the total issued capital of the Issuer or of 5% or more of the issued capital of a certain class of shares of the Issuer, (ii) rights to acquire, directly or indirectly, such interest or (iii) certain profit sharing rights in the Issuer;

(iv) persons to whom the Notes and the income from the Notes are attributed based on the separated private assets (*afgezonderd particulier vermogen*) provisions of the Netherlands Income Tax Act 2001 (*Wet inkomstenbelasting 2001*) and the Netherlands Gift and Inheritance Tax Act 1956 (*Successiewet 1956*); and

(v) entities which are a resident of Aruba, Curacao or Sint Maarten that have an enterprise which is carried on through a permanent establishment or a permanent representative on Bonaire, Sint Eustatius or Saba and the Notes are attributable to such permanent establishment or permanent representative.

Where this summary refers to the Netherlands, such reference is restricted to the part of the Kingdom of the Netherlands that is situated in Europe and the legislation applicable in that part of the Kingdom.

This summary does not describe the consequences of the write-down or the conversion of the Notes.

***Withholding Tax***

All payments made by the Issuers under the Notes may be made free of withholding or deduction for any taxes of whatsoever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein.

With respect to Notes issued by an Issuer that is considered to be a resident of the Netherlands for Netherlands tax purposes (a "Netherlands Issuer"), all payments made by such Netherlands Issuer under the Notes may be made free of withholding or deduction for any taxes of whatsoever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein, provided that the Notes do not in fact function as equity of the Issuer within the meaning of article 10, paragraph 1, under d of the Netherlands Corporate Income Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*).

***Corporate and Individual Income Tax***

*Residents of the Netherlands*

If a holder of Notes is a resident of the Netherlands or deemed to be a resident of the Netherlands for Netherlands corporate income tax purposes and is fully subject to Netherlands corporate income tax or is only subject to Netherlands corporate income tax in respect of an enterprise to which the Notes are attributable, income derived from the Notes and gains realised upon the redemption, settlement or disposal of the Notes are generally taxable in the Netherlands (at up to a maximum rate of 25%).

If an individual is a resident of the Netherlands or deemed to be a resident of the Netherlands for Netherlands individual income tax purposes, income derived from the Notes and gains realised upon the redemption, settlement or disposal of the Notes are taxable at the progressive rates (at up to a maximum rate of 51.75%) under the Netherlands Income Tax Act 2001, if:

(i) the individual is an entrepreneur (*ondernemer*) and has an enterprise to which the Notes are attributable or the individual has, other than as a shareholder, a co-entitlement to the net worth of an enterprise (*medegerechtigde*), to which enterprise the Notes are attributable; or

(ii) such income or gains qualify as income from miscellaneous activities (*resultaat uit overige werkzaamheden*), which includes activities with respect to the Notes that exceed regular, active portfolio management (*normaal , actief vermogensbeheer*).

If neither condition (i) nor condition (ii) above applies, an individual that holds the Notes, must determine taxable income with regard to the Notes on the basis of a deemed return on savings and investments (*sparen en beleggen*), rather than on the basis of income actually received or gains actually realised. This deemed return on savings and investments is fixed at a percentage of the individual's yield basis (*rendementsgrondslag*) at the beginning of the calendar year (1 January), insofar as the individual's yield basis exceeds a statutory threshold (*heffingvrij vermogen*). The individual's yield basis is determined as the fair market value of certain qualifying assets held by the individual less the fair market value of certain qualifying liabilities on 1 January. The fair market value of the Notes will be included as an asset in the individual's yield basis. The deemed return percentage to be applied to the yield basis increases progressively depending on the amount of the yield basis. The deemed return on savings and investments is taxed at a rate of 30%.

*Non-residents of the Netherlands*

If a person is neither a resident of the Netherlands nor is deemed to be a resident of the Netherlands for Netherlands corporate or individual income tax purposes, such person is not liable to Netherlands income tax in respect of income derived from the Notes and gains realised upon the settlement, redemption or disposal of the Notes, unless:

(i) the person is not an individual and such person (1) has an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which permanent establishment or permanent representative the Notes are attributable, or (2) is, other than by way of Notes, entitled to a share in the profits of an enterprise or a co-entitlement to the net worth of an enterprise, which is effectively managed in the Netherlands and to which enterprise the Notes are attributable.

This income is subject to Netherlands corporate income tax at up to a maximum rate of 25%.

(ii) the person is an individual and such individual (1) has an enterprise or an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which permanent establishment or permanent representative the Notes are attributable, or (2) realises income or gains with respect to the Notes that qualify as income from miscellaneous activities in the Netherlands which includes activities with respect to the Notes that exceed regular, active portfolio management (*normaal , actief vermogensbeheer*), or (3) is, other than by way of Notes, entitled to a share in the profits of an enterprise which is effectively managed in the Netherlands and to which enterprise the Notes are attributable.

Income derived from the Notes as specified under (1) and (2) is subject to individual income tax at progressive rates up to a maximum rate of 51.75%. income derived from a share in the profits of an enterprise as specified under (3) that is not already included under (1) or (2) will be taxed on the basis of a deemed return on savings and investments (as described above under "*Residents of the Netherlands*").

***Gift and Inheritance Tax***

Netherlands gift or inheritance taxes will not be levied on the occasion of the transfer of a security by way of gift by, or on the death of, a holder of a security, unless:

(i) the holder of a security is, or is deemed to be, resident in the Netherlands for the purpose of the relevant provisions; or

(ii) the transfer is construed as an inheritance or gift made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident in the Netherlands for the purpose of the relevant provisions.

***Value Added Tax***

In general, no value added tax will arise in respect of payments in consideration for the issue of the Notes or in respect of a cash payment made under the Notes, or in respect of a transfer of Notes.

***Other Taxes and Duties***

No registration tax, customs duty, transfer tax, stamp duty or any other similar documentary tax or duty will be payable in the Netherlands by a holder in respect of or in connection with the subscription, issue, placement, allotment, delivery or transfer of the Notes.

**3. Taxation in the Grand Duchy of Luxembourg ("Luxembourg")**

The comments below do not relate to any form of Luxembourg taxation other than taxation withheld at source with respect to the Notes.

**Withholding taxation in Luxembourg**

(i) Non-resident Noteholders

Under Luxembourg general tax laws currently in force, there is no withholding tax on payments of principal, premium or interest made to non-resident Noteholders, nor on accrued but unpaid interest in respect of the Notes, nor is any Luxembourg withholding tax payable upon redemption, repurchase or exchange of the Notes held by non-resident Noteholders.

(ii) Resident Noteholders

Subject to the Luxembourg law of December 23, 2005, as amended (the "**Relibi Law**"), there is, under Luxembourg tax laws currently in effect, no withholding tax under the Notes on payments of interest (including accrued but unpaid interest) made to resident Noteholders, nor is any withholding tax payable upon repayment of principal or premium in case of reimbursement, redemption, repurchase or exchange of the Notes.

Under the Relibi Law, payments of certain interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit of an individual beneficial owner who is resident of Luxembourg are subject to a withholding tax of 20%. The withholding tax is levied in full discharge of income tax if the beneficial owner is an individual acting in the course of the management or his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent.

Further, a Luxembourg resident individual who acts in the course of the management of his/her private wealth and who is the beneficial owner of an interest payment made by a paying agent established outside Luxembourg but in a Member State of the EU or of the European Economic Area, may also, in accordance with the Relibi Law, opt for a final 20% levy (the "**20% Levy**"). In such case, the 20%. Levy is calculated on the same amounts as for the payments made by Luxembourg resident paying agents. The option for the 20% Levy must cover all interest payments made by the paying agent to the Luxembourg resident beneficial owner during the entire calendar year. Tax reporting duties and payment of the 20% Levy will be incumbent upon the beneficial owner (i.e. the Luxembourg resident individual).

**4. Taxation in the United Kingdom**

The comments below, which are of a general nature and are based on the Issuer's understanding of current United Kingdom law as applied by the courts in England and Wales and H.M. Revenue & Customs ("**HMRC**") practice (which may not be binding on HMRC) as at the date of this document (both of which are subject to change), describe only the United Kingdom withholding tax treatment of payments in respect of the Notes. They are not exhaustive and do not deal with any other United Kingdom taxation implications of acquiring, holding or disposing of the Notes. The references to "interest" and "discount" are to such terms as understood for the purposes of United Kingdom tax law.

The comments set out below do not constitute legal or tax advice. Prospective Holders who are in any doubt as to their tax position should seek their own professional advice.

Interest on the Notes may be paid without withholding or deduction for or on account of United Kingdom income tax where such interest is regarded as not having a United Kingdom source for United Kingdom tax purposes, which will depend on the circumstances relevant to the particular issue of Notes.

The Issuer, provided that it is and continues to be a bank within the meaning of section 991 of the Income Tax Act 2007 (the "**Act**"), and provided that the interest on the Notes is paid in the ordinary course of its business within the meaning of section 878 of the Act, will be entitled to make payments of United Kingdom source interest without withholding or deduction for or on account of United Kingdom income tax. The Issuer currently relies on a banking "passport" to be a bank within the meaning of section 991 of the Act. Depending on the terms of any exit by the United Kingdom from the European Union, the Issuer may not be able to rely on this basis in future; however, other exemptions from withholding may be available in respect of interest paid on the Notes, as discussed below.

Payments of United Kingdom source interest on the Notes may be made without deduction of or withholding for or on account of United Kingdom income tax provided that the Notes are and continue to be listed on a "recognised stock exchange" within the meaning of section 1005 of the Act.

The Luxembourg Stock Exchange, the Frankfurt Stock Exchange and the Munich Stock Exchange are "recognised stock exchanges". The Notes will satisfy this requirement if they are officially listed and admitted to trading on the regulated markets of any of those stock exchanges in accordance with provisions corresponding to those generally applicable in EEA states. Provided, therefore, that the Notes remain so listed, United Kingdom source interest on the Notes will be payable without withholding or deduction on account of United Kingdom income tax whether or not the Issuer carries on a banking business in the United Kingdom and whether or not the interest is paid in the ordinary course of its business.

United Kingdom source interest on the Notes may also be paid without withholding or deduction for or on account of United Kingdom income tax where the maturity of the Notes is less than 365 days and those Notes do not form part of a scheme or arrangement or borrowing intended to be capable of remaining outstanding for more than 364 days.

United Kingdom source interest on the Notes may also be paid without withholding or deduction for or on account of United Kingdom tax where at the time interest on the Notes is paid, the Issuer reasonably believes (and any person by or through whom interest on the Notes is paid reasonably believes) either:

(a) that the beneficial owner is within the charge to United Kingdom corporation tax as regards the payment of interest; or

(b) that the payment is made to one of the bodies or persons set out in section 935 to 937 of the Act,

provided that HMRC has not given a direction (in circumstances where it has reasonable grounds to believe that the above exemption is not available in respect of such payment of interest at the time the payment is made) that the interest should be paid under deduction of tax.

In other cases, absent any other relief or exemption (such as a direction by HMRC that interest may be paid without withholding or deduction for or on account of tax to a specified Holder following an application by that Holder under an applicable double tax treaty), an amount must generally be withheld on account of United Kingdom income tax at the basic rate (currently 20%) from payments of United Kingdom source interest on the Notes.

Where Notes are issued on terms that a premium is or may be payable on redemption, as opposed to being issued at a discount, then it is possible that any such element of premium may constitute a payment of interest and be subject to withholding on account of United Kingdom income tax as outlined in the preceding paragraphs.

Where Notes are issued at an issue price of less than 100% of their principal amount, any payments in respect of the accrued discount element on any such Notes will generally not be made subject to any withholding or deduction for or on account of United Kingdom income tax as long as they do not constitute payments in respect of interest.

Where interest has been paid under deduction of United Kingdom income tax, Holders who are not resident for tax purposes in the United Kingdom may be able to recover all or part of the tax deducted under an appropriate provision of an applicable double taxation treaty.

Where a payment on a Note does not constitute (or is not treated as) interest for United Kingdom tax purposes, and the payment has a United Kingdom source, it may be subject to United Kingdom withholding tax if it constitutes (or is treated as) an annual payment for United Kingdom tax purposes (which will be determined by, amongst other things, the terms and conditions completed by the Final Terms of the Note). In such a case, the payment may fall to be made under deduction of United Kingdom tax at the basic rate, subject to such relief as may be available following a direction from HMRC pursuant to the provisions of any applicable double taxation treaty, or to any other exemption which may apply.

**5. Taxation in the Republic of Ireland**

*The following is an overview of Irish withholding tax issues relating to the Notes. The overview is based upon Irish tax laws and the practice of the Irish Revenue Commissioners as in effect on the date of this Prospectus, which are subject to prospective or retroactive change. Prospective investors in the Notes should consult their own advisors as to the Irish consequences of the purchase, beneficial ownership and disposition of the Notes.*

**Interest withholding tax**

Irish interest withholding tax should not apply to interest payments which have their source outside Ireland. On the basis that none of the Issuers are resident in Ireland nor have any presence in Ireland, that no interest payments will be made from Ireland and that no Irish situate assets will be secured, payments on the Notes should not have an Irish source and, thus, no Irish interest withholding tax should arise.

**Irish encashment tax**

Irish encashment tax may be required to be withheld at the standard rate (currently 20%) from any interest paid in respect of the Notes where such interest is paid or collected by a person in Ireland on behalf of any holder of Notes. Holders of the Notes should therefore note that the appointment of an Irish collection agent or an Irish paying agent could result in the deduction of 20% encashment tax by such agent from interest payments on the Notes. A holder of Notes that is not resident in Ireland for tax purposes may claim an exemption from this withholding tax by submitting an appropriate declaration of non-Irish tax residency to the Irish agent.

**6. Taxation in the Republic of Austria**

*This section on taxation contains a general overview of certain Austrian tax aspects in connection with the Notes. It does not claim to fully describe all Austrian tax consequences of the purchase, holding, sale or redemption of the Notes nor does it take into account the noteholders' individual circumstances or any special tax treatment applicable to the noteholder. This general overview is not intended to be, nor should it be construed to be, legal or tax advice. This overview is based on Austrian law as in force when drawing up this Prospectus. It is based on the currently valid tax legislation, case law and regulations of the tax authorities, as well as their respective interpretation, all of which may be amended from time to time. Such amendments may possibly also be effected with retroactive effect and may negatively impact on the tax consequences described. It is recommended that prospective investors of the Notes consult with their legal and tax advisors as to the tax consequences of the purchase, holding, sale or redemption of the Notes. For the purposes of the following it is assumed that the Notes are legally and factually offered to the public, i.e. to an indefinite number of persons.*

*The Issuer does not assume responsibility for Austrian withholding tax (Kapitalertragsteuer) at source and is not statutorily obliged to make additional payments in case of withholding tax deductions at source.*

**General remarks**

Income from the Notes derived by individuals whose domicile or habitual abode is in Austria (residents) is subject to Austrian income tax on a world-wide basis (unlimited income tax liability) pursuant to the provisions of the Austrian Income Tax Act (*Einkommensteuergesetz*). Individuals who have neither a domicile nor their habitual abode in Austria (non-residents), are subject to income tax only on income from certain Austrian sources (limited income tax liability). Both in case of unlimited and limited income tax liability Austria's right to tax may be restricted by double taxation treaties.

Income derived in Austria in connection with the sale, redemption, or disposal of the Notes or in connection with interest received, is taxed as investment income (*Einkünfte aus Kapitalvermögen*) and thus generally subject to the special income tax rate of 27.5%. The term investment income comprises:

1. income from the provision of capital (*Überlassung von Kapital*) including interest payments on the Notes (*Zinserträge*),

2. income from realized capital gains (*Einkünfte aus realisierten Wertsteigerungen*) derived from assets that generate income from the provision of capital, including income of zero coupon bonds and accrued interest, and

3. income from derivatives including cash settlements, premiums, or realization amounts.

**Notes held privately by Austrian resident individuals**

Interest income from the Notes is subject to a special income tax rate of 27.5%. If the interest is paid out to the noteholder by an Austrian paying agent (*auszahlende Stelle*), the interest income from the Notes is subject to Austrian withholding tax at a rate of 27.5%, which is withheld by the Austrian paying agent. The Austrian paying agent is the Austrian credit institution including Austrian branches of non-Austrian credit institutions or of investment service provider domiciled in the EU, which pays out or credits the interest income to the investor or the domestic Issuer, if it directly pays out the interest income to the investor. The income tax for interest income generally constitutes a final taxation (*Endbesteuerung*) for individuals, irrespectively whether the Notes are held as private assets or as business assets. If the interest income is not subject to Austrian withholding tax because there is no Austrian paying agent, the taxpayer will have to include the interest income derived from the Notes in his personal income tax return pursuant to the provisions of the Austrian Income Tax Act.

Furthermore, any realized capital gain from the Notes is subject to Austrian income tax at a rate of 27.5%. Realized capital gain means any income derived from the sale or redemption or other disposal of the Notes (including income from zero coupon notes). The tax base is, in general, the difference between the sale proceeds or the redemption amount and the acquisition costs, in each case including accrued interest. Expenses and costs which are directly connected with income subject to the special tax rate of 27.5% are not deductible. For Notes held as private assets, the acquisition costs shall not include ancilliary acquisition costs (*Anschaffungsnebenkosten*). For the calculation of the acquisition costs of Notes held within the same securities account and having the same securities identification number but which are acquired at different points in time, an average price shall apply.

If an Austrian custodian (*depotführende Stelle*) or Austrian paying agent is involved and pays out or settles the capital gain, any realized capital gain from the Notes is also subject to a 27.5% withholding tax. The 27.5% withholding tax deduction will result in final income taxation for private investors (holding the Notes as private assets), provided that the investor has evidenced the factual acquisition costs of the Notes to the Austrian custodian. If the realized capital gain is not subject to Austrian withholding tax because there is no Austrian custodian or paying agent, the taxpayer will also have to include the realized capital gain derived from the Notes in his personal income tax return pursuant to the provisions of the Austrian Income Tax Act.

Capital gains are not only subject to withholding tax upon an actual disposition or redemption of the Notes, but also upon a (deemed) realization in case of a withdrawal (*Entnahme*) from an Austrian securities account and other transfers of Notes from one Austrian securities account to another one and a restriction of Austria's right of taxation regarding the Notes (e.g., move abroad, donation to a non-resident, etc). In both cases, exceptions from this taxation are possible. In case of the restriction of Austria's right of taxation, the Austrian withholding agent (custodian or paying agent) generally has to impose the withholding tax in case of an actual disposition of the Notes or a withdrawal from the account. If the holder of the Notes has timely notified the Austrian custodian or paying agent of the restriction of Austria's right of taxation regarding the Notes (e.g., his or her relocation to the other country), not more than the value increase in the Notes until notification is subject to Austrian withholding tax. If the Notes are not kept on an Austrian securities account, the value increase has to be included in the Austrian tax return of the Noteholder in case of a restriction of Austria's right of taxation (including a possible

request for a deferral). Exemptions from withholding tax apply:

- in case of a notified move to another member state of the EU or of the European Economic Area or in case of a notified donation of the Notes to a resident of another member state of the EU or of the European Economic Area if the Noteholder presents to the Austrian custodian or paying agent a tax assessment notice of the year of migration in which the option for a deferral of tax has been exercised; and

- in case of withdrawals from an Austrian securities account and other transfers of the Notes from one Austrian securities account to another one if certain information procedures are fulfilled and no restriction of the Austrian taxing right is given (e.g., no donation to a non-resident).

Taxpayers, whose regular personal income tax is lower than 27.5% may opt for taxation of the income derived from the Notes at their regular personal progressive income tax rate of 50% for income exceeding € 90,000 p.a. and until 2020 of 55% for income exceeding € 1 million p.a. Any tax withheld will then be credited against the income tax. Such application for opting into taxation at the regular personal progressive income tax rate must, however, include all income subject to the special 27.5% tax rate. Expenses in direct economical connection with such income are also not deductible if the option for taxation at the regular personal income tax rate is made. Whether the use of the option is beneficial from a tax perspective must be determined by consulting a tax advisor.

Income from Notes which are not offered to the public within the meaning of the Austrian Income Tax Act would not be subject to withholding tax and final taxation but would be subject to normal progressive personal income tax rate.

Losses from Notes held as private assets may only be set off with other investment income subject to the special 27.5% tax rate (excluding, inter alia, interest income from bank deposits and other claims against banks and income from private foundations) and must not be set off with any other income. Austrian tax law provides for a mandatory set-off by the Austrian custodian of losses against investment income from securities accounts at the same custodian (subject to certain exemptions). However, a carry-forward of such losses is not permitted.

**Notes held as business assets by Austrian resident individuals**

Income including capital gains derived from the Notes which are held as business assets are also subject to the special income tax rate of 27.5% deducted by way of the withholding tax if the criteria described above are fulfilled. However, realized capital gains, contrary to interest income, have to be included in the annual income tax return and must not be a focus of the taxpayer's business activity. It should be noted that in this context the difference between the sales price (or the redemption amount) and the acquisition costs (including ancillary costs) of Zero Coupon Notes is treated as realized capital gains, not as interest payments. Write-downs and losses derived from the sale or redemption of Notes held as business assets must primarily be set off against positive income from realized capital gains of financial instruments of the same business and only 55% of the remaining loss may be set off or carried forward against any other income of the assessment of the taxpayer. The acquisition costs of Notes held as business assets may also include ancillary costs incurred upon the acquisition, which may be deducted from capital gains in the assessment of the taxpayer. The custodian agent does not implement the offsetting of losses with respect to deposit accounts that are not privately held; instead losses are taken into account upon assessment.

It is noted that expenses and costs (*Aufwendungen und Ausgaben*) directly connected with investment income subject to the special tax rate of 27.5% are also not tax effective in case the Notes are held as business assets.

**Notes held by Austrian resident corporations**

Income including capital gains from the Notes derived by corporate noteholders whose seat or place of management is based in Austria is subject to Austrian corporate income tax pursuant to the provisions of the Austrian Corporate Income Tax Act (*Körperschaftsteuergesetz*) at the general tax rate of 25%. Corporate noteholders deriving business income from the Notes may avoid the application of Austrian withholding tax by filing a declaration of exemption (*Befreiungserklärung*) with the Austrian withholding tax agent, which has to be forwarded to the tax office in charge. If no declaration of exemption was filed the withholding tax might be credited as prepayment to the corporate income tax and refunded with the amount exceeding corporate income tax. However, a 25% rate may be applied by the withholding agent if the debtor of the Austrian withholding tax is a corporation. Losses from the alienation of the Notes can be offset against other income.

There is, inter alia, a special tax regime for private foundations established under Austrian law (*Privatstiftungen*) (interim tax of 25%, no withholding tax).

**Non-residents holders**

Income including capital gains derived from the Notes by individuals who do not have a domicile or their habitual abode in Austria or by corporate investors that do not have their corporate seat or their place of management in Austria (non-residents) is not taxable in Austria provided that the income is not attributable to an Austrian permanent establishment. Further, no such taxation of interest income applies if the Notes are not issued by an Austrian issuer or if the debtor of the interest payments has neither its seat nor its place of management in Austria and is no branch of a foreign bank. As the issuer is not an Austrian issuer and does not issue the Notes through an Austrian branch, no such limited taxation should apply.

No taxation of interest income applies vis-à-vis non-resident corporate investors. No taxation of interest income applies vis-à-vis individuals who are residents in a country with which Austria agreed on an automatic exchange of information, if an appropriate proof is provided by the investor. The proof has to be made, among others, by a certificate of residence of the tax authorities of the investor's residence state and further documentation in case of corporations. In case of transparent partnerships, the residence status of the partners is decisive. Moreover, foreign investors have the possibility to seek relief from any withheld withholding tax in a refund procedure with the Austrian tax office with prior electronic notification (§ 240a Austrian Federal Tax Code).

If non-residents receive income from the Notes as part of business income taxable in Austria (permanent establishment), they will be, in general, subject to the same tax treatment as resident investors.

**General information about the automatic exchange of information concerning tax matters**

The EU Directive 2003/48/EC ("EU Savings Directive") was replaced by the automatic exchange of information, which is applicable in Austria since 1 January 2017. Therefore, no EU withholding tax on interest payments to individuals resident in another EU member state is triggered anymore since 1 January 2017 (notice transitional provisions).

In this context the Common Reporting Standard Act (CRSA; *Gemeinsamer Meldestandard-Gesetz*) was implemented in national law. The CRSA determines international standards for the automatic exchange of information in Austria and regulates the performance of administrative assistance between Austria and other states in context of the automatic exchange of information. It also includes reporting obligations of financial institutions concerning account information of non-Austrian residents – which are resident in countries taking part in the global standard of information exchange – which has to be transmitted to the responsible tax authorities.

**Other Taxes**

Austria does not levy inheritance or gift tax.

However, it should be noted that certain gratuitous transfers of assets to (Austrian or foreign) private law foundations and comparable legal estates (*privatrechtliche Stiftungen und damit vergleichbare Vermögensmassen*) are subject to foundation entry tax (*Stiftungseingangssteuer*) pursuant to the Austrian Foundation Entry Tax Act (*Stiftungseingangssteuergesetz*).

In addition, a special notification obligation to the tax authorities exists for gifts from or to Austrian residents. Not all gifts are covered by the notification obligation: In case of gifts among relatives, a threshold of EUR 50,000 per year applies; in all other cases, a notification is obligatory if the value of gifts made exceeds an amount of EUR 15,000 during a period of five years.

**7. Taxation in Japan**

*The following is a general description of certain Japanese tax aspects of the Notes and does not purport to be a comprehensive description of the tax aspects of the Notes. Prospective purchasers should note that, although the general tax information on Japanese taxation is described hereunder for convenience, the statements below are general in nature and not exhaustive. Prospective purchasers are advised to consult their own legal, tax, accountancy or other professional advisers in order to ascertain their particular circumstances regarding taxation.*

*Prospective purchasers should note that the Japanese tax treatment with respect to certain types of Notes, including but not limited to Index Linked Interest Notes, is not clear. Accordingly the actual Japanese tax treatment of certain types of Notes may be different from the treatment described below. Further, the statements below are based on current tax laws and regulations in Japan and current tax treaties executed by Japan all as in effect on the date hereof and all of which are subject to change or differing interpretations (possibly with retroactive effect). Neither such statements nor any other statements in this Prospectus are to be regarded as advice on the tax position of any beneficial owner of the Notes or any person purchasing, selling or otherwise dealing in the Notes or any tax implication arising from the purchase, sale or other dealings in respect of the Notes.*

**Capital Gains, Inheritance and Gift Taxes, Stamp Tax and Other Similar Taxes**

Gains derived from the sale outside Japan of Notes (whether issued by VWFSJ or other Issuers) by a non-resident of Japan or a non-Japanese corporation, or from sale within Japan of Notes by a non-resident of Japan or a non-Japanese corporation not having a permanent establishment in Japan are in general not subject to Japanese income or corporate taxes.

Japanese inheritance tax or gift tax at progressive rates may be payable by an individual, wherever resident, who has acquired Notes issued by VWFSJ as legatee, heir or donee from an individual.
No stamp, issue, registration or similar taxes or duties will, under present Japanese law, be payable in Japan by Holders in connection with the issue of the Notes.

**Interest with respect to Notes issued by the Issuers other than VWFSJ**

Under Japanese tax laws currently in effect the payment of interest in respect of Notes issued by the Issuers other than VWFSJ to a non-resident of Japan or to a non-Japanese corporation in accordance with the terms and conditions of Notes will not be subject to any Japanese income or corporation taxes payable by withholding. Furthermore, such payment will not be subject to any other Japanese income or corporation taxes otherwise than by way of withholding unless such non-resident or non-Japanese corporation has a permanent establishment in Japan and payment of the interest is attributable to the business of the non-resident or non-Japanese corporation carried on in Japan through such permanent establishment.

**Interest and Redemption Gain with respect to Notes issued by VWFSJ**

*The following description of Japanese taxation (limited to national taxes) applies exclusively to interest and the redemption gain, which is the difference between the acquisition price of such interest-bearing Notes of the Holder and the amount which the Holder receives upon redemption of such interest-bearing Notes ( the "**redemption gain**"), where such Notes are issued by VWFSJ outside Japan and payable outside Japan ("**VWFSJ Notes**"). It is not intended to be exhaustive and Holders of VWFSJ Notes and prospective investors are recommended to consult their tax advisers as to their exact tax position.*

Interest payments on VWFSJ Notes paid to an individual resident of Japan, to a Japanese corporation (except for (i) a Japanese designated financial institution described in Article 6, paragraph 9 of the Special Taxation Measures Law which has complied with the requirements under that paragraph and (ii) a public corporation, a financial institution or a financial instruments business operator, etc., as provided in Article 3-3, paragraph 6 of the Special Taxation Measures Law which receives the interest payments through its payment handling agent in Japan and complies with the requirement for tax exemption under that paragraph), or to an individual non-resident of Japan or a non-Japanese corporation that in either case is a specially-related person of VWFSJ will be subject to deduction in respect of Japanese income tax at a rate of 15 per cent. of the amount of such interest.

If the recipient of interest on VWFSJ Notes is a non-Japanese individual resident or a non-Japanese corporation with no permanent establishment within Japan, or a non-Japanese individual resident or a non-Japanese corporation with a permanent establishment within Japan but where the receipt of the interest under VWFSJ Notes is not attributable to the business carried on within Japan by the recipient through such permanent establishment, no Japanese income tax or corporate tax is payable with respect to such interest whether by way of withholding or otherwise, if such recipient complies with certain requirements, *inter alia*:

(i) if the relevant VWFSJ Notes are held through a certain participant in an international clearing organisation on such as DTC, Euroclear and Clearstream, Luxembourg or a certain financial intermediary prescribed by the Special Taxation Measures Law and the relevant cabinet order thereunder (together with the relevant ministerial ordinance and other regulation thereunder, the "**Law**") (each, a "**Participant**"), the requirement that such recipient provides certain information prescribed by the Law to enable the Participant to establish that the recipient is exempt from the requirement for Japanese tax to be withheld or deducted (the "**Interest Recipient Information**"), and that VWFSJ prepare and file a certain confirmation prescribed by the Law (the "**Interest Recipient Confirmation**") with the competent local tax office in a timely matter based upon the Interest Recipient Information communicated through the Participant and the relevant international clearing organisation; and

(ii) if the relevant VWFSJ Notes are not held by a Participant, the requirement that such recipient submits to the relevant paying agent a written application for tax exemption from withholding tax (*Hikazei Tekiyo Shinkokusho*) (a "**Written Application for Tax Exemption**"), together with certain documentary evidence, and that VWFSJ file the Written Application for Tax Exemption so received with the competent local tax office in a timely manner.

However, such payment of interest will be subject to Japanese withholding tax, if:

(a) the amount of interest on VWFSJ Notes is calculated or determined on the basis of or by reference to certain indications including the amount of profit, revenue, assets and distribution of surplus, distribution of profit and

other similar distributions of VWFSJ or of any of its specially-related persons as provided in Article 3-2-2, Paragraph 8 of the cabinet order (such VWFSJ Notes being referred to as the **"Taxable Linked Notes"**); or

(b) the recipient of interest on VWFSJ Notes is an individual non-resident of Japan or a non-Japanese corporation who or which is a specially-related person of VWFSJ.

Failure to comply with such requirements described above will result in the withholding by VWFSJ of income tax at the rate of 15 per cent. unless any lower rate is applicable under the relevant tax treaty between Japan and another country. Japan has income tax treaties, conventions or agreements whereby the above-mentioned withholding tax rate is reduced, generally to 10 per cent., with, *inter alia*, Australia, Austria, Belgium, Canada, Chile, Finland, France, Hong Kong, Ireland, Italy, Luxembourg, The Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Switzerland, Oman, U.A.E., Qatar and the United States of America. With respect to residents of Taiwan, Japan has enacted as of January 1, 2017 a special law whereby
such withholding tax rate may be reduced, generally to 10 per cent., for residents of Taiwan, on a reciprocal basis.

Under the income tax treaty between Japan and the United States of America, which entered into force on 30 March 2004, certain limited categories of qualified United States residents receiving interest on VWFSJ Notes may, subject to compliance with certain procedural requirements under Japanese law, be fully exempt from Japanese withholding tax for interest on VWFSJ Notes. Under the income tax treaties between Japan and, *inter alia*, the United Kingdom, Sweden, Germany, Russia, Austria, Iceland and Denmark, respectively, residents in these countries receiving interest from a Japanese source may, subject to certain exceptions, be fully exempt from Japanese withholding tax for interest on VWFSJ Notes. In order to avail themselves of such reduced rate of, or exemption from, Japanese withholding tax, non-Japanese individual residents of Japan or non-Japanese corporations which are entitled under the applicable tax treaty to a reduced rate of, or exemption from, Japanese withholding tax on payment of interest by VWFSJ are required to submit an Application Form for Income Tax Convention regarding Relief from Japanese Income Tax on Interest (as well as any other required form and documents) in advance through VWFSJ to the relevant tax authority before payment of interest.

If the recipient of interest on VWFSJ Notes is a non-Japanese individual resident or a non-Japanese corporation with a permanent establishment within Japan and the receipt of interest under VWFSJ Notes is attributable to the business of such non-Japanese individual resident or non-Japanese corporation carried on within Japan through such permanent establishment, such interest will not be subject to 15 per cent. withholding tax by VWFSJ; provided, however, that (i) VWFSJ Notes should not be Taxable Linked Notes, (ii) the recipient should not be a specially-related person of VWFSJ, and (iii) the requirements concerning the Interest Recipient Information and the Interest Recipient Confirmation or the Written Application for Tax Exemption as set out above should be complied with. Otherwise, it may result in the withholding by VWFSJ of income tax at the rate of 15 per cent. The amount of such interest will be aggregated with the recipient's other Japanese source income which is subject to Japanese taxation and will be subject to normal income tax or corporate tax, as appropriate.

If any recipient of interest on VWFSJ Notes who is an individual resident of Japan, or a Japanese corporation (other than Japanese banks, Japanese insurance companies, Japanese securities companies or other Japanese financial institutions falling under certain categories prescribed by the relevant cabinet order under Article 3-3, paragraph 6 of the Special Taxation Measures Law (each, a "**specified financial institution**") or a Japanese public corporations designated by the relevant law which comply with the requirement as referred to below), receives payments of interest through certain payment handling agents in Japan (each a "**Japanese payment handling agent**"), income tax at the rate of 15 per cent. will be withheld by the Japanese payment handling agent rather than VWFSJ. As VWFSJ is not in a position to know in advance the recipients' status, the recipient of interest falling within this category should inform VWFSJ through a paying agent of its status in a timely manner. Failure to so inform may result in double withholding. Individual holders of VWFSJ Notes being residents of Japan who receive interest under VWFSJ Notes through a Japanese payment handling agent will be taxed in Japan on such interest after netting particular loss and/or gain separately from his/her other income by filing a tax return; provided, however, that such individual holders may choose not to file such tax return, in which case the aforementioned withholding would be the final Japanese tax for such individual holders. In the case of other recipients who are Japanese corporations falling under the category referred to in the beginning of this paragraph, the amount of interest received by any such recipient will be included in such recipient's gross income and subject to normal corporate tax.

If the recipient of interest on VWFSJ Notes is a Japanese bank, a Japanese insurance company, a Japanese securities company, or any other Japanese financial institution falling under certain categories prescribed by the relevant cabinet order under Article 6, paragraph 9 of the Special Taxation Measures Law, (each, a "**designated financial institution**") and such recipient complies with the requirement, *inter alia*, to provide the Interest Recipient Information or to submit the Written Application for Tax Exemption, as the case may be, no income tax will be imposed, either by way of withholding or otherwise, but the recipient will be subject to normal corporate tax with respect to such interest.

If the recipient of interest on VWFSJ Notes is a Japanese pubic corporation, or a specified financial institution, that keeps its VWFSJ Notes deposited with, and receives the interest through, a Japanese payment handling

agent with custody of VWFSJ Notes (the "**Japanese custodian**") and such recipient submits through such Japanese custodian to the competent tax authority the report prescribed by the Law, no income tax will be levied, by way of withholding or otherwise, on the full amount of interest, but if the recipient is a specified financial institution, the recipient will be subject to normal corporation tax with respect to such interest. However, since VWFSJ is not in a position to know in advance the recipient's withholding tax exemption status, the recipient of interest falling within this category should inform VWFSJ through a paying agent of its status in a timely manner. Failure to so notify VWFSJ may result in the withholding by VWFSJ of 15 per cent. income tax.

If the recipient of interest who is an individual resident of Japan or a Japanese corporation (except for a designated financial institution which complies with the requirements described in paragraph above) receives interest not through a Japanese payment handling agent, income tax at the rate of 15 per cent. will be withheld by VWFSJ.

If the recipient of the redemption gain with respect to VWFSJ Notes is an individual who is a resident of Japan or a Japanese corporation, such redemption gain will not be subject to any withholding tax. If the recipient of the redemption gain with respect to VWFSJ Notes is an individual who is a resident of Japan, such redemption gain after netting particular loss and/or gain will be subject to 15 per cent. income tax separately from his/her other income by filing a tax return. On the other hand, if the recipient of the redemption gain with respect to VWFSJ Notes is a Japanese corporation, such redemption gain will be included in the recipient's gross income and subject to normal corporate tax.

If the recipient of the redemption gain with respect to interest-bearing VWFSJ Notes is not a specially-related person of VWFSJ and a non-Japanese individual resident or a non-Japanese corporation having no permanent establishment within Japan, or a non-Japanese individual resident or a non-Japanese corporation having a permanent establishment within Japan but the receipt of such redemption gain is not attributable to the business carried on within Japan by such non-Japanese individual resident or non-Japanese corporation through such permanent establishment, no income tax or corporate tax is payable with respect to such redemption gain. If the receipt of such redemption gain with respect to interest-bearing VWFSJ Notes is attributable to the business of any such non-Japanese individual resident or non-Japanese corporation carried on within Japan through a permanent establishment maintained by it within Japan, such redemption gain will not be subject to any withholding tax but will be aggregated with the recipient's other Japanese source income which is subject to Japanese taxation and subject to normal income tax or corporate tax, as appropriate.

**Special Additional Withholding Tax for Reconstruction from the Great East Japan Earthquake**

Where there is a reference to a withholding tax rate of 15 per cent. in the foregoing descriptions, for withholding tax due and payable until 31 December 2037, the applicable rate of withholding tax will be 15.315 per cent., due to the imposition of special additional withholding tax of 0.315 per cent. (or 2.1 per cent. of 15 per cent.) to secure funds for reconstruction from the Great East Japan Earthquake. There will also be a special additional tax imposed upon normal income tax and corporate tax, as referred to in the foregoing descriptions, for a certain period.

**8. Taxation in Australia**

*The following is an overview of the taxation treatment under the Income Tax Assessment Acts of 1936 and 1997 of Australia (together, the "**Australian Tax Act**"), the Taxation Administration Act 1953 of Australia (the "**Taxation Administration Act**") and any relevant regulations, rulings or judicial or administrative pronouncements, at the date of this Prospectus, of payments of interest (as defined in the Australian Tax Act) on the Notes to be issued by VWFSAL under the Programme and certain other matters.*

*This overview is not exhaustive and, in particular, does not deal with the position of certain classes of holders of the Notes (including dealers in securities, custodians or other third parties who hold the Notes on behalf of other persons and holders who otherwise hold Notes on revenue account). Prospective Holders should also be aware that particular terms of issue of any series of Notes may affect the tax treatment of that series of Notes.*

*The following is a general guide and should be treated with appropriate caution and should not be construed as legal or tax advice to any particular holder. Prospective Holders should consult their professional advisers on the tax implications of an investment in the Notes for their particular circumstances.*

1. Interest Withholding Tax

*VWFSAL*

Australian interest withholding tax ("**IWT**") is payable at a rate of 10 per cent. of the gross amount of interest paid by VWFSAL to a non-Australian resident (other than a non-Australian resident holding their Notes in carrying on a business at or through a permanent establishment in Australia) or an Australian resident holding their Notes in carrying on a business at or through a permanent establishment outside Australia, unless an exemption is

available. For these purposes, interest is defined in section 128A(1AB) of the Australian Tax Act to include amounts in the nature of, or in substitution for, interest and certain other amounts.

An exemption from Australian IWT is available, under section 128F of the Australian Tax Act, in respect of the Notes issued by VWFSAL if the following conditions are met:

(a) VWFSAL is a company (as defined in section 128F(9) of the Australian Tax Act) and either a resident of Australia or a non-resident of Australia carrying on business at or through a permanent establishment in Australia when it issues those Notes and when interest is paid;

(b) the Notes are "debentures" (as defined for the purposes of section 128F) and are not "equity interests" for Australian income tax purposes;

(b) those Notes are issued in a manner which satisfies the public offer test set out in section 128F(3) or section 128F(4). In relation to the Notes issued by VWFSAL, there are five principal methods of satisfying the public offer test, only one of which needs to be satisfied. The purpose of the public offer test is to ensure that lenders in capital markets are aware that VWFSAL is offering those Notes for issue. As an overview, the five methods are:

(i) offers in the course of operating in financial markets to 10 or more unrelated persons carrying on a business of investing or dealing in securities;

(ii) offers to 100 or more investors of a certain type;

(iii) offers of listed Notes;

(iv) offers via publicly available information sources; and

(v) offers to a dealer, manager or underwriter who offers to sell those Notes within 30 days by one of the preceding methods.

The issue of any of those Notes (whether in global form or otherwise) and the offering of interests in any of those Notes by one of these methods should satisfy the public offer tests and will be eligible for the exemption from Australian IWT provided that:

(a) VWFSAL does not know, or have reasonable grounds to suspect, at the time of issue, that those Notes or interests in those Notes were being, or would later be, acquired, directly or indirectly, by an "associate" of VWFSAL, except as permitted by section 128F(5) of the Australian Tax Act; and

(b) at the time of the payment of interest, VWFSAL does not know, or have reasonable grounds to suspect, that the payee is an "associate" of VWFSAL, except as permitted by section 128F(6) of the Australian Tax Act.

*Associates*

An "associate" of VWFSAL for the purposes of section 128F of the Australian Tax Act includes, when VWFSAL is not a trustee, (i) a person or entity which holds more than 50 per cent. of the voting shares in, or otherwise controls, VWFSAL, (ii) any entity in which more than 50 per cent. of the voting shares are held by, or which is otherwise controlled by, VWFSAL, (iii) a trustee of a trust where VWFSAL is capable of benefiting (whether directly or indirectly) under that trust, and (iv) a person or entity who is an "associate" of another person or company which is an "associate" of VWFSAL under (i) above.

However, for the purpose of sections 128F(5) and (6) of the Australian Tax Act (see paragraphs (d) and I above) "associate" does not include:

(a) an onshore associate (i.e. an Australian resident associate who does not hold the Notes in carrying on business at or through a permanent establishment outside Australia, or a non-resident associate who holds the Notes in carrying on business at or through a permanent establishment in Australia); or

(b) an offshore associate (i.e. an Australian resident associate who holds the Notes in carrying on business at or through a permanent establishment outside Australia, or a non-resident associate who does not hold the Notes in carrying on business at or through a permanent establishment in Australia) who is acting in the capacity of:

(i) in the case of section 128F(5), a dealer, manager or underwriter in relation to the placement of the relevant Notes or a clearing house, custodian, funds manager or responsible entity of a registered managed investment scheme; or

(ii) in the case of section 128F(6), a clearing house, paying agent, custodian, funds manager or responsible entity of a registered managed investment scheme.

*Compliance with section 128F of the Australian Tax Act*

Unless otherwise specified in any relevant Final Terms (or another relevant supplement to this Prospectus), VWFSAL intends to issue the Notes in a manner which will satisfy the requirements of section 128F that are in effect on the date of the issue of the Notes. If Notes are issued which do not satisfy the requirements of section 128F, further information on the material Australian tax consequences of payments of interest and certain other amounts on those Notes will be specified in the relevant Final Terms (or another relevant supplement to this Prospectus).

*Exemptions under tax treaties*

The Australian government has signed or announced new or amended double tax conventions ("**New Treaties**") with a number of countries (each a "**Specified Country**") which contain certain exemptions from Australian IWT.

In broad terms, the New Treaties effectively prevent Australian IWT applying to interest derived by:

- the government of the relevant Specified Country and certain governmental authorities and agencies in the Specified Country; and

- a "financial institution" which is a resident of a "Specified Country" and which is unrelated to and dealing wholly independently with VWFSAL. The term "financial institution" refers to either a bank or any other form of enterprise which substantially derives its profits by carrying on a business of raising and providing finance. (However, interest under a back-to-back loan or an economically equivalent arrangement will not qualify for this exemption.)

The Australian Federal Treasury maintains a listing of Australia's double tax conventions which provides details of country, status, withholding tax rate limits and Australian domestic implementation which is available to the public at the Federal Treasury Department's website.

*Issuers other than* VWFSAL

So long as each Issuer other than VWFSAL continues to be a non-resident of Australia and does not carry on business at or through a permanent establishment in Australia, payment in respect of the Notes issued by them will not be subject to Australian IWT.

*Notes in bearer form – section 126 of the Australian Tax Act*

Section 126 of the Australian Tax Act imposes a type of withholding tax (see below in relation to the rate of withholding tax) on the payment of interest on the Notes if VWFSAL fails to disclose the names and addresses of the holders of the Notes to the Australian Taxation Office ("**ATO**"). Section 126 does not apply to the payment of interest on the Notes held by non-residents who do not carry on business at or through a permanent establishment in Australia where the issue of those Notes has satisfied the requirements of section 128F of the Australian Tax Act or Australian IWT is payable. In addition, the ATO has confirmed that for the purpose of section 126 of the Australian Tax Act, the holder of debentures (such as the Notes) means the person in possession of the debentures. Section 126 is therefore limited in its application to persons in possession of the Notes who are residents of Australia or non-residents who are engaged in carrying on business in Australia at or through a permanent establishment in Australia. Where interests in the relevant Notes are held through Euroclear, CBF or CBL or another clearing system, VWFSAL intends to treat the operators of those clearing systems as the holders of the Notes for the purposes of section 126.

The rate of withholding tax is currently 45%.

*Payment of additional amounts*

As set out in more detail in the relevant Terms and Conditions of the Notes, and unless expressly provided to the contrary in the relevant Final Terms (or a relevant supplement to this Prospectus), if VWFSAL is at any time required by law to deduct or withhold an amount in respect of any Australian withholding taxes imposed or levied by the Commonwealth of Australia in respect of the Notes, VWFSAL must, subject to certain exceptions, pay such additional amounts as may be necessary in order to ensure that the net amounts received by the holders of those Notes after such deduction or withholding are equal to the respective amounts which would have been received

had no such deduction or withholding been required. If VWFSAL is required to pay additional amounts, VWFSAL will have the option to redeem those Notes in accordance with the relevant Terms and Conditions.

2. Other Australian tax matters in relation to Notes issued by VWFSAL

Under Australian laws as presently in effect:

(a) *income tax – offshore Holders* – assuming the requirements of section 128F of the Australian Tax Act are satisfied with respect to the Notes issued by VWFSAL, payment of principal and interest (as defined in section 128A(1AB) of the Australian Tax Act) to a holder of the Note, who is a non-resident of Australia and who, during the taxable year, does not hold the Notes in carrying on business at or through a permanent establishment in Australia, will not be subject to Australian income taxes;

(b) *income tax – Australian Holders* – Australian residents or non-Australian residents who hold the Notes in carrying on business at or through a permanent establishment in Australia ("**Australian Holders**"), will generally be assessable for Australian tax purposes on income either received or accrued due to them in respect of the Notes. Whether income will be recognized on a cash receipts or accruals basis will depend upon the tax status of the particular holder of the Note and the terms and conditions of the Notes (see also paragraph (m) below).

(c) *gains on disposal or redemption of Notes – offshore Holders* – a holder of the Notes, who is a non-Australian resident, will not be subject to Australian income tax on gains realized during that year on sale or redemption of Notes, provided such gains do not have an Australian source. A gain arising on the sale of the Notes by a non-Australian resident holder to another non-Australian resident where the Notes are sold outside Australia and all negotiations are conducted, and documentation executed, outside Australia would not generally be regarded as having an Australian source;

(d) *gains on disposal or redemption of Notes – Australian Holders* – Australian Holders will be required to include any gain or loss on disposal or redemption of the Notes in their taxable income;

(e) *deemed interest* – there are specific rules that can apply to treat a portion of the purchase price of Notes as interest for Australian IWT purposes when certain Notes originally issued at a discount or with a maturity premium or which do not pay interest at least annually are sold to an Australian resident (who does not acquire them in carrying on business at or through a permanent establishment outside Australia) or a non-resident who acquires them in carrying on business at or through a permanent establishment in Australia. These rules do not apply in circumstances where the deemed interest would have been exempt under section 128F of the Australian Tax Act if the Notes had been held to maturity by a non-resident;

(f) *stamp duty and other taxes* – no ad valorem stamp, issue, registration or similar taxes are payable in Australia on the issue, transfer or redemption of any Notes;

(g) *supply withholding tax* – payments in respect of the Notes can be made free and clear of the "supply withholding tax" imposed under section 12-190 of Schedule 1 to the Taxation Administration Act;

(h) *goods and services tax ("**GST**")* – neither the issue nor receipt of the Notes will give rise to a liability for GST in Australia on the basis that the supply of Notes will comprise either an input taxed financial supply or (in the case of an offshore subscriber that is a non-resident) a GST-free supply. Furthermore, neither the payment of principal or interest by VWFSAL, nor the disposal or redemption of the Notes, would give rise to any GST liability in Australia;

(i) *debt/equity rules* – Division 974 of the Australian Tax Act contains tests for characterizing debt (for all entities) and equity (for companies) for Australian tax purposes, including for the purposes of dividend withholding tax and Australian IWT. VWFSAL intends to issue Notes which are to be characterized as "debt interests" for the purposes of the tests contained in Division 974 and the returns paid on the Notes are to be "interest" for the purpose of section 128F of the Australian Tax Act. Accordingly, Division 974 is unlikely to adversely affect the Australian tax treatment of holders of the Notes; and

(j) *additional withholdings from certain payments to non-residents* –the Governor-General may make regulations requiring withholding from certain payments to non-residents of Australia (other than payments of interest and other amounts which are already subject to the current Australian IWT rules or specifically exempt from those rules). Regulations may only be made if the responsible Minister is satisfied the specified payments are of a kind that could reasonably relate to assessable income of foreign residents. The possible application of any future regulations to the proceeds of any sale of Notes will need to be monitored;

(k) *taxation of foreign exchange gains and losses* – Divisions 775 and 960 of the Australian Tax Act contain rules to deal with the taxation consequences of foreign exchange transactions. The rules are complex and may apply to any holders of Notes who are Australian residents or non-residents that hold Notes in carrying on business at or through a permanent establishment in Australia and where any gains, other than interest payable on the Notes,

realized by that holder in respect of those Notes do not otherwise have an Australian source, in respect of Notes that are not denominated in Australian dollars. Any such holder should consult their professional advisors for advice as to how to tax account for any foreign exchange gains or losses arising from their holding of those Notes;

(l) *garnishee directions by the Commissioner of Taxation* – the Commissioner may give a direction requiring VWFSAL to deduct from any payment to a holder of the Notes any amount in respect of Australian tax payable by the holder. If VWFSAL is served with such a direction, then VWFSAL will comply with that direction and make any deduction required by that direction; and

(m) *taxation of financial arrangements – garnishee directions by the Commissioner of Taxation* – the taxation of financial arrangements (referred to as "**TOFA**") regime can affect the taxation of financial instruments such as the Notes. The TOFA regime does not contain any measure that would override the exemption from Australian IWT available under section 128F of the Australian Tax Act in respect of interest payable on the Notes issued by VWFSAL. The TOFA regime also does not apply to a holder of Notes who is a non-resident of Australia who has not held those Notes in the course of carrying on a trade or business through a permanent establishment within Australia and where any gains, other than interest payable on the Notes, realized by that holder in respect of those Notes do not otherwise have an Australian source.

**FATCA (*Foreign Account Tax Compliance Act*)**

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, as amended, commonly known as FATCA, a "**Foreign Financial Institution**" may be required to withhold on certain payments it makes ("**Foreign Passthru Payments**") to persons that fail to meet certain certification, reporting, or related requirements. The relevant Issuer may be a Foreign Financial Institution for these purposes. A number of jurisdictions have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (**"IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a Foreign Financial Institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments, such withholding would not apply prior to the date that is two years after the date on which final regulations defining Foreign Passthru Payments are published in the U.S. Federal Register, and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining Foreign Passthru Payments are filed with the U.S. Federal Register generally would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date. However, if additional Notes that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Products offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

**The proposed financial transactions tax ("FTT")**

On 14 February 2013, the European Commission published a proposal (the **"Commission's Proposal"**) for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia. However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective Noteholders are advised to seek their own professional advice in relation to the FTT.

**International Exchange of Information**

Based on the so-called „OECD Common Reporting Standard“, the states which have committed themselves to implement this standard ("**Participating States**") exchange potentially taxation-relevant information about financial accounts ("**Information**") which an individual holds in a Participating State other than his country of residence. This procedure commenced in 2017 with Information for the year 2016. The same applies to the Member States of the European Union. Due to an extension of the Directive 2011/16/EU on administrative cooperation in the field of taxation ("**Mutual Assistance Directive**"), the Member States from 2017 onwards (starting with the information for the year 2016) exchange Information on notifiable financial accounts of individuals which are resident in another Member State of the European Union.
Prospective purchasers of Notes are advised to consult their own tax advisors in relation to the further developments.

# Subscription and Sale

The Dealers have in an amended and restated dealer agreement dated 6 June 2019 (the "**Dealer Agreement**"), agreed with the Issuers a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under "Terms and Conditions of the Notes" above.

**Selling Restrictions**

***1. United States of America***

(a) Each Dealer acknowledges that the Notes have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act.

Each Dealer represents and agrees that it has offered and sold any Notes, and will offer and sell any Notes (i) constituting part of their distribution at any time and (ii) otherwise until 40 days after later of the commencement of the offering and the closing date, only in accordance with Rule 903 of Regulation S under the Securities Act.

Accordingly, each Dealer further represents and agrees that it, its affiliates or any persons acting on its or their behalf have not engaged and will not engage in any directed selling efforts with respect to any Note, and it and they have complied and will comply with the offering restrictions requirement of Regulation S.

(b) Each Dealer who has purchased Notes of a Tranche hereunder (or in the case of a sale of a Tranche of Notes issued to or through more than one Dealer, each of such Dealers as to the Notes of such Tranche purchased by or through it or, in the case of a syndicated issue, the relevant Lead Manager) shall determine and notify to the Principal Paying Agent the completion of the distribution of the Notes of such Tranche. On the basis of such notification or notifications, the Principal Paying Agent agrees to notify such Dealer/Lead Manager of the end of the distribution compliance period with respect to such Tranche. Each Dealer also agrees that, at or prior to confirmation of any sale of Notes, it will have sent to each distributor, Dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it during the distribution compliance period a confirmation or notice to substantially the following effect:

"The Securities covered hereby have not been registered under the U.S. Securities Act of 1933 (the "**Securities Act**") and no Dealer (or persons covered by Rule 903 (c)(2)(iv)) may offer or sell any Notes constituting part of its allotment within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Rule 903 or Rule 904 Regulation S under the Securities Act. Terms used above have the meanings given to them by Regulation S."

Terms used in the above paragraph have the meanings given to them by Regulation S.

Each Dealer represents and agrees that it has not entered and will not enter into any contractual arrangement with respect to the distribution or delivery of Notes, except with its affiliates or with the prior written consent of the Issuer.

(c) Notes, other than Notes with an initial maturity of one year or less, including unilateral rollovers or extensions, will be issued in accordance with rules identical to those described in United States Treasury Regulation § 1.163-5(c)(2)(i)(D) that are applicable for purposes of Section 4701 of the U.S. Internal Revenue Code of 1986, as amended (the "**U.S. Internal Revenue Code**") (the "**TEFRA D Rules**"), or in accordance with rules identical to those described in United States Treasury Regulation § 1.163-5(c)(2)(i)(c) that are applicable for purposes of Section 4701 of the U.S. Internal Revenue Code (the "**TEFRA C Rules**"), as specified in the applicable Final Terms.

In addition, in respect of Notes issued in accordance with the TEFRA D Rules, each Dealer represents and agrees that:

(i) except to the extent permitted under the TEFRA D Rules, (x) it has not offered or sold, and during the restricted period will not offer or sell, Notes in bearer form to a person who is within the United States or its possessions or to a United States person, and (y) such Dealer has not delivered and will not deliver within the United States or its possessions definitive Notes in bearer form that are sold during the restricted period;

(ii) it has and throughout the restricted period will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Notes in bearer form are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the TEFRA D Rules;

(iii) if such Dealer is a United States person, it represents that it is acquiring the Notes in bearer form for purposes of resale in connection with their original issuance and if such Dealer retains Notes in bearer form for its own account, it will only do so in accordance with rules identical to those described in United States Treasury Regulation § 1.163-5(c)(2)(i)(D)(6) that are applicable for purposes of Section 4701 of the U.S. Internal Revenue Code; and

(iv) with respect to each affiliate that acquires from such Dealer Notes in bearer form for the purposes of offering or selling such Notes during the restricted period, such Dealer either (x) repeats and confirms the agreements contained in sub-clauses (i), (ii) and (iii) on such affiliate's behalf or (y) agrees that it will obtain from such affiliate for the benefit of the Issuer the agreements contained in sub-clauses (i), (ii) and (iii).

Terms used in the above paragraph have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder, including the TEFRA D Rules.

In addition, where the TEFRA C Rules are specified in the relevant Final Terms as being applicable to any Tranche of Notes, Notes in bearer form must be issued and delivered outside the United States and its possessions in connection with their original issuance. Each Dealer represents and agrees that it has not offered sold or delivered and will not offer, sell or deliver, directly or indirectly, Notes in bearer form within the United States or its possessions in connection with their original issuance. Further, each Dealer represents and agrees in connection with the original issuance of Notes in bearer form, that it has not communicated, and will not communicate, directly or indirectly, with a prospective dealer if such dealer is within the United States or its possessions and will not otherwise involve its U.S. office in the offer or sale of Notes in bearer form. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder, including the TEFRA C Rules.

Notes issued in bearer form complying with the TEFRA D Rules or TEFRA C Rules described above are intended to qualify as "foreign targeted obligations" for purposes of Section 4701 of the Code.

***2. European Economic Area***

**Prohibition of Sales to EEA Retail Investors**

Unless the Final Terms in respect of any Notes specify the "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Prospectus as completed by the Final Terms in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

a) the expression "retail investor" means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or

(ii) a customer within the meaning of Directive 2002/92/EC (as amended or superseded, the "**IMD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

(iii) not a qualified investor as defined in Directive 2003/71/EC (as amended or superseded, the "**Prospectus Directive**"); and

b) the expression an "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

If the Final Terms in respect of any Notes specifies "Prohibition of Sales to EEA Retail Investors" as "Not Applicable" in relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each a "**Relevant Member State**") each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus as completed by the Final Terms in relation thereto to the public in that Relevant Member State, except that it may, with effect from and including the Relevant Implementation Date, make an offer of Notes to the public in that Relevant Member State:

(i) if the Final Terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a "**Non-exempt Offer**"), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the Final Terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable, and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;

(ii) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(iii) at any time to fewer than 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(iv) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (ii) to (iv) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "**Prospectus Directive**" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU, or superseded) and includes any relevant implementing measure in each Relevant Member State.

***3. The Netherlands***

Each Dealer has represented and agreed with the relevant Issuer (and each further Dealer appointed under the Programme will be required to represent and agree with the relevant Issuer that it will not transfer or accept bearer Zero Coupon Notes or other Notes that qualify as savings certificates as defined in the Dutch Savings Certificates Act *(Wet inzake spaarbewijzen)* if such transfer or acceptance, direct or indirectly, within, from or into the Netherlands, is not done through the mediation of either the Issuer or a member of Euronext in Amsterdam with due observance of the provisions of the Savings Certificates Act and its implementing regulations (which include registration requirements), provided that no such mediation is required (i) in respect of the initial issue of such Notes to the first holders thereof, (ii) to the extent that such Notes are physically issued outside of The Netherlands and are not immediately thereafter distributed in The Netherlands in the course of primary trading or immediately thereafter or (iii) in respect of any transfer and acceptance by individuals who do not act in the conduct of a profession or business. To the extent that the Dutch Savings Certificates Act is applicable, each transaction regarding the relevant Note must be effected through the mediation of the Issuer or a member of Euronext in Amsterdam and must be either:

(i) between individuals or legal entities who or which trade or invest in securities in the conduct of a profession or trade (which includes banks, brokers, insurance companies, investment undertakings, pension funds, other institutional investors and commercial enterprises which regularly, as an ancillary activity, invest in securities); or

(ii) in any other case, recorded in a transaction note, including the name and address of each party to the transaction, the nature of the transaction and the details and serial number of such Note.

***4. United Kingdom***

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that:

(i) in relation to any Notes which have a maturity of less than one year, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses, where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000, as amended ("**FSMA**") by the Issuers;

(ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21 (1) of the FSMA does not apply to the Issuers or the Guarantor; and

(iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

As used herein, "**United Kingdom**" means the United Kingdom of Great Britain and Northern Ireland.

***5. Republic of Austria***

Each Dealer has represented, warranted and agreed that it has not and will not offer any Notes to the public in Austria, except that an offer of the Notes may be made to the public in Austria

(a) in the period beginning one bank working day following:

(i) the date of publication of the Prospectus including any supplements but excluding any Final Terms, in relation to those Notes issued by the relevant Issuer which has been approved by *Finanzmarktaufsichtsbehörde* in Austria (the "FMA") or, where appropriate, approved in another Member State and notified to the FMA, all in accordance with the Prospectus Directive;

(ii) the date of publication and of communication to FMA of the relevant Final Terms for the Notes issued by the relevant Issuer; and

(ii) the date of filing of a notification with *Oesterreichische Kontrollbank AG*, all as prescribed by the Capital Market Act, as amended ("CMA": *Kapitalmarktgesetz*), or

(b) otherwise in compliance with the CMA.

For the purpose of this provision, the expression "an offer of the Notes to the public" means the communication to the public in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes issued by the relevant Issuer.

***6. Norway***

Norwegian kroner denominated Notes may not be offered or sold within Norway, except for Notes registered in Verdipapirsentralen ASA (VPS), registered address Fred. Olsens gate 1, 0120, Oslo, Norway in accordance with applicable laws and regulations.

***7. Japan***

(i) In respect of Notes issued by VWFSJ:

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law No. 25 of 1948) (as amended) (the "**FIEA**"). Accordingly, each Dealer represents and agrees, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other relevant laws, regulations and ministerial guidelines of Japan.

In addition, the Notes will be subject to requirements under the Special Taxation Measures Law of Japan (the "**Special Taxation Measures Law**"). Accordingly, each Dealer represents and agrees, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not, directly or indirectly, offered or sold and will not, (a) as part of its distribution at any time and (b) otherwise until 40 days after the closing date, directly or indirectly offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used in this paragraph means any person resident in Japan or any Japanese corporation under the Special Taxation Measures Law excluding certain financial institutions defined in Article 6, paragraph 9 of the Special Taxation Measures Law and any other excluded category of persons, corporations or other entities under the Special Taxation Measures Law), or any individual non-resident of Japan or non-Japanese corporation that in either case is a person having a special relationship (as described in Article 6, paragraph 4 of the Special Taxation Measures Law) with VWFSJ (a "**specially-related person of VWFSJ**"), or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan or any specially-related

person of with VWFSJ, so as to satisfy the requirements for the tax exemption as provided for in Article 6 of the Special Taxation Measures Law and any other applicable laws, regulations and ministerial guidelines of Japan.

(ii) In respect of Notes issued by the Issuers other than VWFSJ:

The Notes have not been and will not be registered under the FIEA. Accordingly, each Dealer represents and agrees, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term means any person resident in Japan, including any corporation or other entity organized under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other relevant laws, regulations and ministerial guidelines of Japan.

***8. Australia***

No prospectus or other disclosure document (as defined in the Corporations Act 2001 of Australia ("**Australian Corporations Act**")) in relation to the Programme or any Notes has been or will be lodged with the Australian Securities and Investments Commission ("**ASIC**"). Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that, unless the relevant Final Terms (or another supplement to this Prospectus) otherwise provides, it:

(a) has not (directly or indirectly) offered or invited applications, and will not offer or invite applications, for the issue, sale or purchase of any Notes in or from Australia (including an offer or invitation which is received by a person in Australia); and

(b) has not distributed or published, and will not distribute or publish, the Prospectus or any other offering material relating to any Notes in Australia,

Unless:

(i) the aggregate consideration payable by each offeree or invitee is at least A$500,000 (or the equivalent in another currency, and in either case, disregarding moneys lent by the offeror or its associates) or the offer or invitation (including any resulting issue) does not otherwise require disclosure to investors under Parts 6D.2 or 7.9 of the Australian Corporations Act;

(ii) the offer or invitation does not constitute an offer to a “retail client” within the meaning of section 761G of the Australian Corporations Act;

(iii) such action complies with all applicable laws, regulations and directives; and

(iv) such action does not require any document to be lodged with ASIC.

In addition, and unless the relevant Final Terms (or another relevant supplement to this Prospectus) provides, each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that, in connection with the primary distribution of the Notes, it will not offer or sell Notes to any person if, at the time of such sale, the officers and employees of the Dealer are aware of, or involved in, the sale, knew or had reasonable grounds to suspect that, as a result of such sale, any Notes or an interest in any Notes were being, or would later be, acquired (directly or indirectly) by an associate of VWFSAL for the purpose of section 128F(9) of the Australian Tax Act and associated regulations except as permitted by section 128F(5) of the Australian Tax Act.

***9. Singapore***

Each Dealer has acknowledged that this Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore and the Notes will be offered pursuant to exemptions under the Securities and Futures Act, Chapter 289 of Singapore as modified or amended from time to time including by any subsidiary legislation as may be applicable at the relevant time (together, the "**SFA**"). Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold any Notes or caused such Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell such Notes or cause such Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Notes, whether directly or indirectly, to persons in Singapore other than (a) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (b) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA and (where applicable)

Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018, or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(i) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(ii) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 except:

(a) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(b) where no consideration is or will be given for the transfer;

(c) where the transfer is by operation of law;

(d) as specified in Section 267(7) of the SFA; or

(e) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

***10. Hong Kong***

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and

(ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571 of Hong Kong) and any rules made under that Ordinance.

***11. General***

Each Dealer represents and agrees that it will comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes the Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither any of the Issuers nor the Guarantor and any other Dealer shall have any responsibility therefor.

Neither any of the Issuers, the Guarantor nor any of the Dealers represent that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Tranche, the relevant Dealer will be required to comply with such other additional restrictions as the Issuer and the relevant Dealer shall agree and as shall be set out in the applicable Final Terms.

# General Information

**1. Listing and Admission to Trading**

Application has been made to the Luxembourg Stock Exchange for Notes issued under this Prospectus to be admitted to trading on the regulated market of the Luxembourg Stock Exchange and to be listed on the official list of the Luxembourg Stock Exchange.

However, Notes may be issued pursuant to the Programme which will not be listed on the Luxembourg Stock Exchange or any other stock exchange or which will be listed on such stock exchange as the Issuer and the relevant Dealer(s) may agree.

**2. Consent to use Prospectus**

Each Dealer and/or each further financial intermediary subsequently reselling or finally placing Notes issued under the Programme – if and to the extent this is so expressed in the Final Terms relating to a particular issue of Notes – is entitled to use the Prospectus in Luxembourg, Germany, The Netherlands, the United Kingdom, Ireland or Austria (the "**Offer States**") for the subsequent resale or final placement of the relevant Notes during the respective Offer Period (as determined in the applicable Final Terms) during which subsequent resale or final placement of the relevant Notes can be made (general consent), provided however, that the Prospectus is still valid in accordance with Article 11 of the Luxembourg act relating to prospectuses for securities (Loi relative aux prospectus pour valeurs mobilières)) which implements Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 (as amended by Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010). The Issuer accepts responsibility for the content of this Prospectus also with respect to such subsequent resale or final placement of the relevant Notes.

Additionally, the Issuer may grant its consent to the use of the Prospectus for any resale or final placement of the relevant Notes in the Offer States following the end of such Offer Period to any financial intermediary (individual consent), the name and address of which shall be published on the website of Volkswagen Financial Services Aktiengesellschaft (www.vwfs.com). Any new information with respect to financial intermediaries unknown at the time of the approval of the Base Prospectus or the filing of the Final Terms, as the case may be, will be published on the website of Volkswagen Financial Services Aktiengesellschaft (www.vwfs.com).

The Prospectus may only be delivered to potential investors together with all supplements published before such delivery. Any supplement to the Prospectus is available for viewing in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu) or the website of Volkswagen Financial Services Aktiengesellschaft (www.vwfs.com).

When using the Prospectus, each Dealer and/or relevant further financial intermediary must ensure that it complies with all applicable laws and regulations in force in the respective jurisdictions.

**In the event of a public offer being made by a Dealer and/or a further financial intermediary the Dealer and/or the further financial intermediary shall provide information to investors on the terms and conditions of the Notes at the time of that offer.**

**Any Dealer and/or a further financial intermediary using the Prospectus based on the general consent for public offerings shall state on its website that it uses the Prospectus in accordance with this consent and the conditions attached thereto.**

**3. Interest of Natural and Legal Persons involved in the Issue/Offer**

Certain Dealers and their affiliates may be customers of, and borrowers from and creditors of the Issuers and its affiliates. In addition, certain Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for the Issuers and their affiliates in the ordinary course of business.

In particular, certain of the Dealers and their affiliates may have positions, deal or make markets in the Notes issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuers and their affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities. In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuers or the Issuers' affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuers routinely hedge their credit exposure to the Issuers consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the

creation of short positions in securities, including potentially the Notes issued under the Programme. Any such positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

**4. Authorisations**

The increase of the Programme amount from EUR 10,000,000,000 to EUR 18,000,000,000 (in the case of VWLGMBH the implementation as an issuer under the Programme) has been duly authorised by resolutions of (a) the Supervisory Board of 15 November 2002 of VW AG, (b) the Board of Managing Directors of 6 August 2002 and the Supervisory Board of 21 November 2002 of VWFSAG, (c) the Board of Managing Directors of VWLGMBH of 6 August 2002 and (d) the Board of Directors of 27 November 2002 of VWFSNV. The implementation of VWFSJ as an issuer under the Programme has been duly authorised by resolutions of (a) the Supervisory Board of 14 November 2003 of VW AG, (b) the Board of Managing Directors of 7 October 2003 and the Supervisory Board of 20 November 2003 of VWFSAG and (c) the Board of Management of 21 November 2003 of VWFSJ. The implementation of VWFSAL as an issuer under the Programme has been duly authorised by resolutions of (a) the Board of Managing Directors of 4 February 2013 and the Supervisory Board of 27 February 2013 of VW AG, (b) the Board of Managing Directors of 17 January 2013 and the Supervisory Board of 27 February 2013 of VWFSAG and (c) the Board of Directors of 6 June 2013 of VWFSAL. The increase of the Programme amount from EUR 18,000,000,000 to EUR 25,000,000,000 has been duly authorised by resolutions of (a) the Board of Managing Directors of 28 January 2014 and the Supervisory Board of 21 February 2014 of VW AG, (b) the Board of Managing Directors of 23 January 2014 and the Supervisory Board of 26 February 2014 of VWFSAG, (c) the Board of Managing Directors of VWLGMBH of 29 January 2014, (d) the Board of Directors of 14 April 2014 of VWFSNV, (e) the Board of Directors of 19 May 2014 of VWFSAL and (f) the Board of Management of 30 April 2014 of VWFSJ. The increase of the Programme amount from EUR 25,000,000,000 to EUR 35,000,000,000 has been duly authorised by resolutions of (a) the Board of Managing Directors of 29 January 2019 and the Supervisory Board of 22 February 2019 of VW AG, (b) the Board of Managing Directors of 19 December 2018 and the Supervisory Board of 13 February 2019 of VWFSAG, (c) the Board of Managing Directors of VWLGMBH of 13 December 2018, (d) the Board of Directors of 13 March 2019 of VWFSNV, (e) the Board of Directors of 14 March 2019 of VWFSAL and (f) the Board of Management of 6 March 2019 of VWFSJ.

In respect of the issuance of Notes under the Programme, no further resolutions, authorisations or approvals are required.

**5. Documents on Display**

For the life of the Prospectus, copies of the following documents are available for inspection, free of charge during normal business hours at the office of the relevant Issuer specified below:

(i) the Articles of Association of the five issuers;

(ii) the Annual Reports for the financial years ended 31 December 2017 and 2018 of VWFSAG and VWLGMBH;

(iii) the audited financial statements for the financial years ended 31 December 2017 and 2018 of VWFSNV, VWFSJ and VWFSAL;

(iv) a copy of the Prospectus, any supplement thereto as well as the documents incorporated by reference;

(v) the Guarantee;

The copies may be inspected:

(i) in case of VWFSAG and VWLGMBH, at: Volkswagen Financial Services AG, Investor Relations, Gifhorner Straße 57, 38112 Braunschweig, Federal Republic of Germany (e-mail: ir@vwfs.com);

(ii) in case of VWFSNV, at: Volkswagen Financial Services N.V., Paleisstraat 1, NL-1012 RB Amsterdam, The Netherlands;

(iii) in case of VWFSJ, at: Volkswagen Financial Services Japan Ltd., Gotenyama Trust Tower 17F, 4-7-35 Kita-Shinagawa, Shinagawa-ku, Tokyo 140-0001, Japan;

(iv) in case of VWFSAL, at: Volkswagen Financial Services Australia Pty Limited, Level 1, 24 Muir Street, Chullora, NSW 2019, Australia;

VWFSJ does not produce interim financial statements. VWFSAG produces consolidated and non-consolidated annual financial statements.

**6. Clearing Systems**

The Notes have been accepted for clearance through Clearstream Banking AG and Clearstream Banking, société anonyme as well as through Euroclear Bank SA/NV.

**7. Ratings**

VWFSAG is rated by Standard & Poor's ("**S&P**") and Moody's Investors Service ("**Moody's**"). No ratings have been assigned to VWLGMBH, VWFSNV, VWFSJ or VWFSAL.

As of the date of this Prospectus the ratings of VWFSAG are as follows:

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| S&P: | short-term senior unsecured: A-2<br>long-term senior unsecured: BBB+ |
| Moody's: | short-term senior unsecured: Prime-2<br>long-term senior unsecured: A3 |

The ratings have the following meanings:

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| Standard & Poor's | A-2: An obligor rated 'A-2' has satisfactory capacity to meet its financial commitments. However, it is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligors in the highest rating category.<br>BBB (+)*: An obligor rated 'BBB' has adequate capacity to meet its financial commitments.However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitments.<br>* Note: Plus (+) or minus (-): The ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories. |
| Moody's: | P-2: Issuers (or supporting institutions) rated Prime-2 have a strong ability to repay short-term debt obligations.<br>A3*: Obligations rated A are judged to be upper-medium grade and are subject to low credit risk.<br>*Note: Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category. |

S&P and Moody's (together in this paragraph, the "Rating Agencies") each are a credit rating agency established in the European Union and are registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as most recently amended by Regulation (EU) No 462/2013 (the "Regulation") and are included in the list of registered credit rating agencies published on the website of the European Securities and Markets Authority at http://www.esma.europa.eu/page/List-registered-and-certified-CRAs.

It should be noted that a rating is not a recommendation to buy, sell or hold Notes issued under the Programme and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. A suspension, reduction or withdrawal of the rating assigned to the Issuer or the Notes issued under the Programme may adversely affect the market price of such Notes.

Notes issued under the Programme may be rated or unrated. The ratings above do not immediately apply to any individual notes issued under the Programme and no assurance can be given that the rating assigned to Notes issued under the Programme will have the same rating as the rating contained in the Base Prospectus. Following termination of a rating mandate, the relevant Issuer will no longer apply for such ratings to be assigned to Notes to be issued under the Programme. In case the Notes are expected to be rated, such rating will be disclosed in the relevant Final Terms within Part II, item 5 "Additional Information – Rating".

**8. Third party information**

The relevant Issuer accepts responsibility for the information contained in this Prospectus as set out in the Responsibility Statement on page five of the Prospectus provided that, with respect to any information included herein and specified to be sourced from a third party (i) the Issuer confirms that any such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information published by such third party, no facts have been omitted which would render the reproduced information inaccurate or

misleading and (ii) the Issuer has not independently verified any such information and accepts no responsibility for the accuracy thereof.

## Documents Incorporated by Reference

**Documents incorporated by Reference**

The following documents which have been published or which are published simultaneously with this Prospectus and filed with the CSSF shall be incorporated in, and form part of, this Prospectus:

(a) The Annual Reports of VWFSAG for the financial years ended 31 December 2017 and 31 December 2018.

(b) The Annual Reports of VWLGMBH for the financial years ended 31 December 2017 and 31 December 2018.

(c) The non-consolidated Financial Statements of VWFSNV for the financial years ended 31 December 2017 and 31 December 2018.

(d) The non-consolidated Financial Statements of VWFSJ for the financial years ended 31 December 2017 and 31 December 2018.

(e) The consolidated Financial Report of VWFSAL for the financial years ended 31 December 2017 and 31 December 2018.

(f) Base Prospectus dated 12 June 2013 related to the Euro 18,000,000,000 Debt Issuance Programme of VWFSAG, VWLGMBH, VWFSNV, VWFSJ and VWFSAL which has been filed with the Commission ("**Prospectus 2013**").

(g) Base Prospectus dated 12 June 2014 related to the Euro 25,000,000,000 Debt Issuance Programme of VWFSAG, VWLGMBH, VWFSNV, VWFSJ and VWFSAL which has been filed with the Commission ("**Prospectus 2014**").

(h) Base Prospectus dated 11 June 2015 related to the Euro 25,000,000,000 Debt Issuance Programme of VWFSAG, VWLGMBH, VWFSNV, VWFSJ and VWFSAL which has been filed with the Commission ("**Prospectus 2015**").

(i) Base Prospectus dated 5 August 2016 related to the Euro 25,000,000,000 Debt Issuance Programme of VWFSAG, VWLGMBH, VWFSNV, VWFSJ and VWFSAL which has been filed with the Commission ("**Prospectus 2016**").

(j) Base Prospectus dated 28 June 2017 related to the Euro 25,000,000,000 Debt Issuance Programme of VWFSAG, VWLGMBH, VWFSNV, VWFSJ and VWFSAL which has been filed with the Commission ("**Prospectus 2017**").

(k) Base Prospectus dated 26 June 2018 related to the Euro 25,000,000,000 Debt Issuance Programme of VWFSAG, VWLGMBH, VWFSNV, VWFSJ and VWFSAL which has been filed with the Commission ("**Prospectus 2018**").

(l) Supplement dated 28 November 2013 related to the Euro 18,000,000,000 Debt Issuance Programme of VWFSAG, VWLGMBH, VWFSNV, VWFSJ and VWFSAL which has been filed with the Commission ("**Supplement 28 November 2013**").

**Comparative Table of Documents incorporated by Reference**

| Page | Section of Prospectus | Document incorporated by reference |
|---|---|---|
| **134** | **VWFSAG, Historical Financial Information** | **<u>Annual Report 2017 of VWFSAG</u>**<br><br>**Combined Management Report, (p. 3 – p. 37) except for the sections "Outlook for 2018" and "Forecast changes in key performance indicators for fiscal year 2018 compared with prior-year figures" on p. 35 et seq. of the Annual Report**<br><br>***Consolidated Financial Statements of the Volkswagen Financial Services AG Group***<br><br>**Income Statement, (p. 39)** |

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| | | **Statement of Comprehensive Income, (p. 40)**<br><br>**Balance Sheet, (p. 41 – p.42)**<br><br>**Statement of Changes in Equity (p. 43)**<br><br>**Cash Flow Statement, (p. 44)**<br><br>**Notes, (p. 45 – p. 136)**<br><br>**Auditors' Report, (p. 138 – p.143)**<br><br>**<u>Annual Report 2018 of VWFSAG</u>**<br><br>**Combined Management Report, (p. 3 – p. 39) except for the sections "Outlook for 2019" and "Forecast changes in key performance indicators for fiscal year 2019 compared with prior-year figures" on p. 38 of the Annual Report**<br><br>***Consolidated Financial Statements of the Volkswagen Financial Services AG Group***<br><br>**Income Statement, (p. 41)**<br><br>**Statement of Comprehensive Income, (p. 42-43)**<br><br>**Balance Sheet, (p. 44 – p.45)**<br><br>**Statement of Changes in Equity (p. 46)**<br><br>**Cash Flow Statement, (p. 47)**<br><br>**Notes, (p. 48 – p. 154)**<br><br>**Auditors' Report, (p. 156 – p.160)** |
| **139** | **VWLGMBH, Historical Financial Information** | **<u>Annual Report of 2017 of VWLGMBH</u>**<br><br>**Management Report, (p. 1 – p. 29) except for the section "Outlook for 2018" on p. 28 et seq. of the Annual Report**<br><br>***Annual Financial Statements***<br><br>**Balance Sheet, (p. 30 – p. 31)**<br><br>**Income Statement (p. 32)**<br><br>**Cash Flow Statement, (p. 33)**<br><br>**Statement of Changes in Equity, (p. 34)**<br><br>**Notes, (p. 35 – p. 46)**<br><br>**Independent Auditors' Report, (p. 47– p. 51)**<br><br>**Note regarding Forward-Looking Statements, (p. 56)***<br><br>*) Please note that the page reference of the Note regarding Forward-Looking Statements refers to the |

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| | | page number of the PDF version of the Financial Report<br><br>**<u>Annual Report of 2018 of VWLGMBH</u>**<br><br>**Management Report, (p. 1 – p. 28) except for the section "Outlook for 2019" on p. 27-28 et seq. of the Annual Report**<br><br>***Annual Financial Statements***<br><br>**Balance Sheet, (p. 32 – p. 33)**<br><br>**Income Statement (p. 34)**<br><br>**Cash Flow Statement, (p. 35)**<br><br>**Statement of Changes in Equity, (p. 36)**<br><br>**Notes, (p. 37 – p. 48)**<br><br>**Independent Auditors' Report, (p. 49– p. 53)**<br><br>**Note regarding Forward-Looking Statements, (p. 55)***<br><br>*) Please note that the page reference of the Note regarding Forward-Looking Statements refers to the page number of the PDF version of the Financial Report |
| **143** | **VWFSNV, Historical Financial Information** | **<u>Financial Report 2017 of VWFSNV</u>**<br><br>**Management Report, (p. 3 – p. 6) except for the section "Expectation 2018" on p. 6 of the Financial Report**<br><br>***Financial Statements***<br><br>**Balance Sheet, (p. 8 – p. 9)**<br><br>**Income Statement, (p. 10)**<br><br>**Cash Flow Statement, (p. 11)**<br><br>**Notes to the Financial Statements, (p. 12 – p. 36)**<br><br>**Other Information, (p. 37)**<br><br>**Independent Auditor's Report, (p. 39 – p. 44)***<br><br>*) Please note that the page reference of the Independent Auditor's Report refers to the page number of the PDF version of the Annual Report<br><br>**<u>Financial Report 2018 of VWFSNV</u>**<br><br>**Management Report, (p. 3 – p. 5) except for the section "Expectation 2019" on p. 5 of the Financial Report**<br><br>***Financial Statements***<br><br>**Balance Sheet, (p. 7 – p. 8)**<br><br>**Income Statement, (p. 9)** |

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| | | **Cash Flow Statement, (p. 10)**<br><br>**Notes to the Financial Statements, (p. 11 – p. 36)**<br><br>**Other Information, (p. 37)**<br><br>**Independent Auditor's Report, (p. 38 – p. 43)** |
| **146** | **VWFSJ, Historical Financial Information** | **<u>Audit Report with Financial Report 2017 of VWFSJ (English Translation)</u>**<br><br>**Independent Auditor's Report, (p. 2)**<br><br>***Financial Statements***<br><br>**Balance Sheet, (p. 4)**<br><br>**Income Statement, (p. 5)**<br><br>**Statement of Changes in Equity, (p. 6)**<br><br>**Summary of Significant Accounting Policies, (p. 7-8)**<br><br>**Notes, (p. 8 – p. 14)**<br><br>**Supplementary Schedules in relation to the Financial Statements, (p. 16 – p. 18)**<br><br>**<u>Audit Report with Financial Report 2018 of VWFSJ (English Translation)</u>**<br><br>**Independent Auditor's Report, (p. 2)**<br><br>***Financial Statements***<br><br>**Balance Sheet, (p. 4)**<br><br>**Income Statement, (p. 5)**<br><br>**Statement of Changes in Equity, (p. 6)**<br><br>**Summary of Significant Accounting Policies, (p. 7-8)**<br><br>**Notes, (p. 8 – p. 14)**<br><br>**Supplementary Schedules in relation to the Financial Statements, (p. 15 – p. 18)** |
| **149** | **VWFSAL, Historical Financial Information** | **<u>Annual Report 2017 of VWFSAL</u>**<br><br>**Director's Report, (p. 3 – p. 4)**<br><br>**Auditor's Independence Declaration, (p. 6)***<br><br>***Financial report – 31 December 2017***<br><br>**Income Statement, (p. 8)**<br><br>**Statement of Comprehensive Income, (p. 9)** |

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| | | **Balance Sheet, (p. 10)**<br><br>**Statement of Changes in Equity, (p. 11)**<br><br>**Statements of Cash Flows, (p. 12)**<br><br>**Notes to the financial statements, (p. 13 – p. 65)**<br><br>**Independent auditor's report to the members of Volkswagen Financial Services Australia Pty Limited, (p. 68 – p. 69)***<br><br>*) Please note that the page reference of the Auditor's Independence Declaration and of the Independent Auditor's Report refers to the page number of the PDF version of the Annual Report<br><br>**<u>Annual Report 2018 of VWFSAL</u>**<br><br>**Director's Report, (p. 3 – p. 4)**<br><br>**Auditor's Independence Declaration, (p. 6)***<br><br>***Financial report – 31 December 2017***<br><br>**Statement of Comprehensive Income, (p. 8)**<br><br>**Balance Sheet, (p. 9)**<br><br>**Statement of Changes in Equity, (p. 11)**<br><br>**Statements of Cash Flows, (p. 12)**<br><br>**Notes to the financial statements, (p. 13 – p. 74)**<br><br>**Independent auditor's report to the members of Volkswagen Financial Services Australia Pty Limited, (p. 77 – p. 79)***<br><br>*) Please note that the page reference of the Auditor's Independence Declaration and of the Independent Auditor's Report refers to the page number of the PDF version of the Annual Report |

The information incorporated by reference that is not included in the cross-reference list, is considered as additional information and is not required by the relevant schedules of the Prospectus Regulation.

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| **301** | **Form of Final Terms** | **<u>Prospectus 2013</u>**<br><br>**Terms and Conditions (p. 98 – p. 237)** |
| **301** | **Form of Final Terms** | **<u>Prospectus 2014</u>**<br><br>**Terms and Conditions (p. 108 – p. 283)** |
| **301** | **Form of Final Terms** | **<u>Prospectus 2015</u>**<br><br>**Terms and Conditions (p. 106 – p. 292)** |
| **301** | **Form of Final Terms** | **<u>Prospectus 2016</u>** |

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| | | **Terms and Conditions (p. 168 – p. 345)** |
| **301** | **Form of Final Terms** | **Prospectus 2017**<br><br>**Terms and Conditions (p. 158 – p. 290)** |
| **301** | **Form of Final Terms** | **Prospectus 2018**<br><br>**Terms and Conditions (p. 161 – p. 301)** |
| **301** | **Form of Final Terms** | **Supplement 28 November 2013**<br><br>**Supplemental information relating to the sections "English Language Terms and Conditions" and "Deutsche Fassung der Anleihebedingungen" (p. 7 – p. 10)** |

Any information, contained in or incorporated by reference into the documents listed in items (f) – (l) above, that is not included in the above cross-reference lists above is either not relevant for investors of covered elsewhere in the Base Prospectus. The documents incorporated by reference contain information on the long-term and short-term rating of VWFSAG assigned by Moody's Investors Service and Standard & Poor's as well as on the long-term rating of LeasePlan Corporation N.V. assigned by Moody's Investors Service, Standard & Poor's and Fitch Ratings. All of these rating agencies are established in the European Union and are registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as most recently amended by Regulation (EU) No 462/2013, and are included in the list of registered credit rating agencies published on the website of the European Securities and Markets Authority at http://www.esma.europa.eu/page/List-registered-and-certified-CRAs. Credit ratings are for distribution only to a person (a) who is not a "retail client" within the meaning of section 761G of the Corporations Act 2001 of Australia ("**Australian Corporations Act**") and is also a sophisticated investor, professional investor or other investor in respect of whom disclosure is not required under Parts 6D.2 or 7.9 of the Australian Corporations Act, and (b) who is otherwise permitted to receive credit ratings in accordance with any applicable law in any jurisdiction in which the person may be located.

**Availability of incorporated Documents**

Any document incorporated herein by reference can be obtained without charge at the specified offices of the relevant Issuer. Written or oral requests for such documents should be directed to Volkswagen Financial Services Aktiengesellschaft, Investor Relations, Gifhorner Straße 57, 38112 Braunschweig, Federal Republic of Germany (email: ir@vwfs.com). In addition, such documents will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu) and are available free of charge at the offices of the Paying Agent in the Grand Duchy of Luxembourg.

# Address List

1. Volkswagen Financial Services Aktiengesellschaft
(Issuer and/or Guarantor)
Gifhorner Straße 57
38112 Braunschweig
Federal Republic of Germany

2. Volkswagen Leasing GmbH
(Issuer)
Gifhorner Straße 57
38112 Braunschweig
Federal Republic of Germany

3. Volkswagen Financial Services N.V.
(Issuer)
Paleisstraat 1
NL-1012 RB Amsterdam
The Netherlands

4. Volkswagen Financial Services Japan Ltd.
(Issuer)
Gotenyama Trust Tower 17F
4-7-35 Kita-Shinagawa
Shinagawa-ku
Tokyo 140-0001
Japan

5. Volkswagen Financial Services Australia Pty Limited
(Issuer)
Level 1, 24 Muir Road
Chullora NSW 2190
Australia

6. UniCredit Bank AG
(Arranger)
Arabellastraße 12
81925 München
Federal Republic of Germany

7. Banco Bilbao Vizcaya Argentaria, S.A.
(Dealer)
Ciudad BBVA
Calle Sauceda 28, Edificio Asia
Madrid 28050
Spain

8. Banco Santander, S.A.
(Dealer)
Ciudad Grupo Santander
Edificio Encinar
Avenida de Cantabria s/n
28660, Boadilla del Monte, Madrid
España

9. Barclays Bank PLC
(Dealer)
5 The North Colonnade
Canary Wharf
London E14 4BB
United Kingdom

10. Bayerische Landesbank
(Dealer)
Brienner Straße 18
80333 München
Federal Republic of Germany

11. BNP Paribas
(Dealer)
10 Harewood Avenue
London NW1 6AA
United Kingdom

12. Citigroup Global Markets Limited
(Dealer)
Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB
United Kingdom

13. Commerzbank Aktiengesellschaft
(Dealer)
Kaiserstraße 16 (Kaiserplatz)
60311 Frankfurt am Main
Federal Republic of Germany

14. Crédit Agricole Corporate and Investment Bank
(Dealer)
12, Place des Etats-Unis
CS 70052
92547 Montrouge Cedex
France

15. Danske Bank A/S
(Dealer)
2-12 Holmens Kanal
DK-1092 Copenhagen K
Denmark

16. Deutsche Bank Aktiengesellschaft
(Dealer)
Mainzer Landstraße 11-17
60329 Frankfurt am Main
Federal Republic of Germany

17. Goldman Sachs International
(Dealer)
Peterborough Court
133 Fleet Street
London EC4A 2BB
United Kingdom

18. HSBC Bank plc
(Dealer)
8 Canada Square
London E14 5HQ
United Kingdom

19. J.P. Morgan Securities plc
(Dealer)
25 Bank Street
Canary Wharf
London E14 5JP
United Kingdom

20. Landesbank Baden-Württemberg
(Dealer)
Am Hauptbahnhof 2
70173 Stuttgart
Federal Republic of Germany

21. Lloyds Bank Corporate Markets

Wertpapierhandelsbank GmbH
(Dealer)
Thurn-und-Taxis-Platz 6
60313 Frankfurt am Main
Federal Republic of Germany

22. Merrill Lynch International
(Dealer)
2 King Edward Street
London EC1A 1HQ
United Kingdom

23. MUFG Securities (Europe) N.V.
(Dealer)
World Trade Center, Tower H, 11th Floor
Zuidplein 98
1077 XV Amsterdam
The Netherlands

24. Mizuho Securities Europe GmbH
(Dealer)
Taunustor 1
60310 Frankfurt am Main
Germany

25. NatWest Markets Plc
(Dealer)
250 Bishopsgate
London EC2M 4AA
United Kingdom

26. RBC Europe Limited
(Dealer)
Riverbank House, 2 Swan Lane
London EC4R 3BF
United Kingdom

27. Skandinaviska Enskilda Banken AB (publ)
(Dealer)
Kungsträdgårdsgatan 8
106 40 Stockholm
Sweden

28. Société Générale
(Dealer)
29, boulevard Haussmann
75009 Paris
France

29. The Toronto-Dominion Bank
(Dealer)
60 Threadneedle Street
London EC2R 8AP
United Kingdom

30. UniCredit Bank AG
(Dealer)
Arabellastraße 12
81925 München
Federal Republic of Germany

31. PricewaterhouseCoopers
GmbH
Wirtschaftsprüfungsgesellschaft
(Auditors to VWFSAG and VWLGMBH)
Fuhrberger Straße 5
30625 Hannover

Federal Republic of Germany

32. PricewaterhouseCoopers Accountants N.V.
(Auditors to VWFSNV)
Fascinatio Boulevard 350
3065 WB Rotterdam
The Netherlands

33. PricewaterhouseCoopers Aarata
(Auditors to VWFSJ)
Sumitomo Fudosan Shiodome
Hamarikyu Building 16 F
8-21-1 Ginza, Chuo-ku
Tokyo 104-0061
Japan

34. Citibank, N.A.
(Issuing Agent and Principal Paying Agent)
Citigroup Centre
Canary Wharf
London E14 5LB
United Kingdom

35. Citibank Europe plc, Germany Branch
(Paying Agent)
Reuterweg 16
60323 Frankfurt am Main
Federal Republic of Germany

36. Banque de Luxembourg, S.A.
(Listing Agent)
14 Boulevard Royal
2449 Luxembourg
Grand Duchy of Luxembourg

37. Hogan Lovells International LLP
(Legal Adviser to the Dealers as to German Law)
Untermainanlage 1
60329 Frankfurt am Main
Federal Republic of Germany

38. Allen & Overy LLP
(Legal Adviser to VWFSNV as to Dutch Law)
Apollolaan 15
1077 AB Amsterdam
The Netherlands

39. Ernst & Young Belastingadviseurs LLP
(Tax Adviser to VWFSNV as to Dutch Tax Law)
Antonio Vivaldistraat 150
1083 HP Amsterdam
The Netherlands

40. Linklaters
(Legal Adviser to VWFSJ as to Japanese Law)
Meiji Yasuda Seimei Building 10th Floor
1-1, Marunouchi 2-chome
Chiyoda-ku
Tokyo 100-0005
Japan

41. King & Wood Mallesons
(Legal Adviser to VWFSAL as to Australian Law)
Level 61, Governor Phillip Tower
1 Farrer Place
Sydney NSW 2000
Australia