

**Volkswagen Diesel Emissions Environmental Mitigation Trust for Indian Tribe Beneficiaries**  
**Semi Annual Reporting Table of Contents**  
**For the Reporting Period Ending June 30, 2021**

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Subparagraph 3.3.1.2.iii

No activity in the reporting period

Subparagraph 3.3.1.4

Semi-Annual Reporting Package includes a 3-year projected annual budget for the Tribal Administration Cost Subaccount, as well as balance statements for all subaccounts as of June 30, 2021.

**The Volkswagen Diesel Emissions Environmental Mitigation Trust  
for Indian Tribe Beneficiaries**

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**Trustee Descriptive Report  
for Period January 1, 2021 to June 30, 2021**

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*As required under subparagraphs 3.3.1.6 and 3.3.1.7*

***Establishment, Purpose, Funding, and Modification of the Indian Tribe Trust***

As a result of the landmark settlement in the United States District Court, Northern District of California (the “Court”), Volkswagen AG (“VW”) required VW to establish the **Environmental Mitigation Trust for Indian Tribe Beneficiaries** (the “Indian Tribe Trust”) and to make deposits<sup>1</sup> in the amounts of \$2.7 billion and \$225 million to be used to fund environmental mitigation action (EMA) projects that reduce emissions of nitrogen oxides (“NOx”) and to pay for Trust Administration Costs all in accordance with the terms of the Indian Tribe Trust. On March 15, 2017, the Court appointed Wilmington Trust, N.A. (“WTNA”) as the Trustee for the Indian Tribe Trust (the “Trustee”) and on October 2, 2017, the Indian Tribe Trust was established.

By the end of 2017, the Trustee had received approximately \$41.4 million was deposited into the Trust. The Trustee received from the Settling Defendants a deposit of approximately \$18 million at the end of 2018, which represented the Indian Tribe Trust’s portion of the final \$900 million required under the 2.0L Partial Consent Decree, meaning that the Indian Tribe Trust was considered fully funded.

The Indian Tribe Trust was previously modified in accordance with Paragraph 6.5 on two occasions:

1. Effective November 30, 2018, there were material modifications to the trust’s allocation formula in a manner that is consistent with the trust’s purpose “to timely and efficiently fund Eligible Mitigation Actions to be proposed and administered by the Beneficiaries . . . .” (subparagraph 2.0.3), while ensuring an equitable distribution of funds to participating Beneficiaries.
2. Effective June 18, 2020, there were a discreet number of modifications, including: a modification of Permitted Investments under Paragraph 3.2.1 to allow the investment of Trust Assets in the BlackRock Fed Fund (CUSIP 09248U809), other similar mutual funds, and U.S. Treasury bills, bonds, notes, and other government securities issued by agencies of the federal government; and an additional paragraph that allows electronic signatures and electronic retention of certain documents required under or related to the Indian Tribe Trust, as identified by the Trustee.

A copy of the Indian Tribe Trust as modified on May 19, 2020 is posted on the Trust’s website at <https://www.vwenvironmentalmitigationtrust.com/tribe-trust-agreement>.

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<sup>1</sup> Appendix D-1B allocates 2.03% of the deposited funds to the Indian Tribe Trust and 97.97% of the deposited funds to State Trust.

**The Volkswagen Diesel Emissions Environmental Mitigation Trust  
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In the reporting period, WTNA completed a number of actions permitted and required under the Trust Agreement and Consent Decrees, which included implementation of steps for the Fourth Funding Cycle; and, payment of Trust bills. A brief description of each of these actions is included below.

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**3.3.1.7 Actions taken in reporting period in accordance with Trust  
Agreement and Consent Decrees**

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***Implementation of Steps for Fourth Funding Cycle under the Modified Indian Tribe Trust Agreement***

In the reporting period, the Trustee implemented a number of actions required for the fourth funding cycle under the Modified Indian Tribe Trust Agreement.

**Notice of Fourth Funding Cycle**

As required under subparagraph 5.0.5.1.b, on January 15, 2021 the Trustee posted a Notice of the opening of the Fourth Funding Cycle stating that: (i) each Indian Tribe, which has not yet been designated a Beneficiary by the Trustee, may seek to become a Beneficiary hereunder by filing with the Court a Beneficiary Status Certification Form (Appendix D-3) consistent with Paragraph 4.2 by the March 16, 2021 deadline.

**Receipt of Appendix D-3 Filing and Notice of Beneficiary Designation**

By the March 16<sup>th</sup> deadline, the Trustee had received Appendix D-3 filings from 25 federally recognized Indian Tribes, which had also filed with the Court by the same deadline. These 25 Indian Tribes were each formally designated as Beneficiaries of the Indian Tribe Trust when the Trustee filed a formal Notice of Beneficiary Designation<sup>2</sup> with the Court on May 17, 2021.

**Notice and Receipt of Designated Beneficiary's Participation Notices (Appendix D-6)**

On May 24, 2021, in accordance with subparagraph 5.0.5.3.3 the Trustee published a notice on its public-facing website and provided a notice to each Beneficiary via Intralinks<sup>3</sup> stating that any Beneficiary that would like to participate in the third funding cycle should submit to the Trustee a Designated Beneficiary's Participation Notice (Appendix D-6) by the June 16, 2021 deadline. By June 16, 2021, the Trustee had received timely-filed Appendix D-6 submissions from 74 of the Indian Tribe Trust's 119 Designated Beneficiary Indian Tribes.

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<sup>2</sup> This Notice can be accessed online at <https://www.vwenvironmentalmitigationtrust.com/TribeNBD4>.

<sup>3</sup> Intralinks - a secure method of internet-based communications for the use of the Trustee and the Beneficiaries.

**The Volkswagen Diesel Emissions Environmental Mitigation Trust  
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**Application of Per-Capita/Pro-Rata Allocation and Notice to Participating Beneficiaries**

As required under subparagraph 5.0.5.3.3, the Trustee determined the number of participating Beneficiaries and implemented the steps therein to determine the allocation that would be available to each of the 74 Designated Beneficiaries that timely filed an Appendix D-6. On June 30, 2021, the Trustee transmitted notice via Intralinks to each of the participating Beneficiaries regarding the Trustee's allocation determination of the amount of funding available for each Beneficiary. Each Beneficiary must either submit to the Trustee an EMA Certification Form (Appendix D-4) to implement Eligible Mitigation Actions with the amount allocated to that Beneficiary, or elect to opt out of the funding cycle by submitting a Beneficiary's Election to Opt Out Form (Appendix D-7) by August 30, 2021.

***Payment of Trust Bills***

In the period, the Indian Tribe Trust paid \$66,513 in Trust Administration Costs. The Indian Tribe Trust also paid approximately \$58,262 in costs to third-party professionals.

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**3.3.1.6 Previously unreported action taken by Trust that  
materially adversely affects Trust**

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Nothing to report.



By: \_\_\_\_\_  
Name: Russell L. Crane, MBA  
Title: Vice President  
Wilmington Trust, N.A., as Trustee

Date: August 16, 2021

**Volkswagen Diesel Emissions Environmental Trust for Indian Tribe Beneficiaries**  
**Trust Asset Statements and Investments Listing**  
**June 30, 2021**  
(Dollars in thousands)

Portfolio(s)	Maturity Date	Rating	Amount
<b>Tribal Allocation Subaccount</b>			
Cash			\$ -
BlackRock Liquidity Fund			10,225
Marketable Securities at Costs			
U.S. Treasury Bills	07/08/2021	AAA	3,044
U.S. Treasury Bills	10/07/2021	AAA	3,044
U.S. Treasury Bills	09/07/2021	AAA	1,860
Marketable Securities at Costs Total			7,948
Accrued Interest Income			2
<b>Tribal Allocation Subaccount Total</b>			<b>\$ 18,175</b>
<b>Tribal Tech Advisor Subaccount</b>			
Cash			\$ (95)
BlackRock Liquidity Fund			358
Marketable Securities at Costs			
U.S. Treasury Bills	12/16/2021	AAA	130
U.S. Treasury Bills	12/23/2021	AAA	130
U.S. Treasury Bills	12/30/2021	AAA	95
U.S. Treasury Bills	07/08/2021	AAA	90
U.S. Treasury Bills	07/29/2021	AAA	35
U.S. Treasury Bills	10/07/2021	AAA	95
U.S. Treasury Bills	10/14/2021	AAA	75
U.S. Treasury Bills	09/07/2021	AAA	65
U.S. Treasury Bills	09/09/2021	AAA	200
U.S. Treasury Bills	09/23/2021	AAA	130
Marketable Securities at Costs Total			1,045
Accrued Interest Income			-
<b>Tribal Tech Advisor Subaccount Total</b>			<b>\$ 1,308</b>

**Volkswagen Diesel Emissions Environmental Trust for Indian Tribe Beneficiaries**  
**Trust Asset Statements and Investments Listing**  
**June 30, 2021**

(Dollars in thousands)

Portfolio(s)	Maturity Date	Rating	Amount
<b>Tribal Administration Cost Subaccount</b>			
Cash			\$ -
BlackRock Liquidity Fund			74
Marketable Securities at Costs			
U.S. Treasury Bills	12/16/2021	AAA	745
U.S. Treasury Bills	12/23/2021	AAA	645
U.S. Treasury Bills	10/07/2021	AAA	330
U.S. Treasury Bills	10/14/2021	AAA	265
U.S. Treasury Bills	09/09/2021	AAA	235
U.S. Treasury Bills	09/23/2021	AAA	645
Marketable Securities at Costs Total			2,864
Accrued Interest Income			-
<b>Tribal Administration Cost Subaccount Total</b>			<b>\$ 2,938</b>
<b>Tribal Tax Subaccount</b>			
Cash			\$ 797
<b>Tribal Tax Subaccount Total</b>			<b>\$ 797</b>
<b>Tribal Advisory Council Subaccount</b>			
Cash			\$ -
BlackRock Liquidity Fund			11
Marketable Securities at Costs			
U.S. Treasury Bills	12/23/2021	AAA	10
U.S. Treasury Bills	09/23/2021	AAA	10
Marketable Securities at Costs Total			20
Accrued Interest Income			-
<b>Tribal Advisory Council Subaccount Total</b>			<b>\$ 31</b>
<b>Indian Tribe Trust Total</b>			
Cash			\$ 702
BlackRock Liquidity Fund			10,668
Marketable Securities at Costs			11,877
Accrued Interest Income			2
<b>Indian Tribe Trust Total</b>			<b>\$ 23,249</b>

Subparagraphs:

3.3.1.1.i

3.3.1.1.ii

**Volkswagen Diesel Emissions Environmental Trust for Indian Tribe Beneficiaries**  
**Tribe Trust Payments and Administration Costs Line Item**  
**October 2, 2017 through June 30, 2021**  
(Dollars in thousands)

Subaccount	Cumulative Paid
<b>Tribal Allocation</b>	
Trust Administrator Costs	\$ 67
<b>Tribal Allocation Total</b>	<b>\$ 67</b>
<b>Tribal Tech Advisor</b>	
Trust Administrator Costs	\$ 2
Tribal Tech Advisor Costs	1,474
<b>Tribal Allocation Total</b>	<b>\$ 1,476</b>
<b>Tribal Administration Cost</b>	
Trust Administrator Costs	\$ 75
Trust Counsel	874
Insurance	307
Audit	158
Accounting	99
Tax Return	98
Consultant	190
Website Support	10
Tax Counsel	171
Intralink	5
Contingency Expenses	43
<b>Tribal Administration Cost Total</b>	<b>\$ 2,030</b>
<b>Tribal Tax</b>	
Estimated State Taxes Paid	\$ 3
<b>Tribal Tax Total</b>	<b>\$ 3</b>
<b>Tribal Advisory Council</b>	
Trust Administrator Costs	\$ 2
<b>Tribal Advisory Council Total</b>	<b>\$ 2</b>
<b>Indian Tribe Trust Total</b>	<b>\$ 3,578</b>

Subparagraphs:

3.3.1.1.iii

3.3.1.3.i

**Volkswagen Diesel Emissions Environmental Trust for Indian Tribe Beneficiaries**  
**Payments to Recipients**  
**June 30, 2021**  
(Dollars in thousands)

Recipient	2021	2020	2019	Cumulative
Beaver Village	\$ -	\$ -	\$ 68	\$ 68
Bishop Paiute Tribe	-	-	77	77
Blue Lake Rancheria	-	146	275	421
Bois Forte Band of Chippewa	-	299	-	299
Central Council Tlingit & Haida Indian Tribes of Alaska	-	-	158	158
Chefornak Traditional Council	-	-	170	170
Cherokee Nation	-	2,097	2,600	4,697
Cheyenne River Sioux Tribe	-	339	567	906
Chickaloon Native Village	-	218	228	446
Citizen Potawatomi Nation	-	557	555	1,112
Colorado River Indian Tribes	-	231	-	231
Confederated Salish & Kootenai Tribes	-	400	-	400
Confederated Tribes and Bands of the Yakama Nation	-	390	645	1,035
Confederated Tribes of Coos, Lower Umpqua & Siuslaw Indians	-	26	101	127
Confederated Tribes of the Colville Reservation	-	298	304	602
Confederated Tribes of the Warm Spring Reservation	-	253	-	253
Coquille Indian Tribe	-	-	118	118
Craig Tribal Association	-	159	-	159
Elk Valley Rancheria	-	-	28	28
Fallon Paiute-Shoshone Tribe	-	164	-	164
Fond du Lac Band of Lake Superior Chippewa	-	298	960	1,258
Forest County Potawatomi	-	161	173	334
Fort Independence Indian Community	-	-	117	117
Galena Village (Louden)	-	155	167	322
Gila River Indian Community	-	489	794	1,283
Gulkana Village Council	-	161	-	161
Hoopa Valley Tribe	-	226	390	616
Koyukuk Village Council	-	-	149	149
Lower Brule Sioux Tribe	-	188	334	522
Manley Hot Springs Village	-	146	-	146
Mashantucket Pequot Indian Tribe	-	152	284	436
Mohegan Tribe of Indians of Connecticut	-	-	275	275
Muscogee (Creek) Nation	-	1,693	2,079	3,772
Native Village of Brevig Mission	-	-	169	169
Native Village of Diomedea	-	148	-	148
Native Village of Elim	-	154	-	154
Native Village of Kobuk	-	149	-	149
Native Village of Koyuk	-	-	167	167
Native Village of Port Heiden	-	-	160	160
Native Village of Savoonga	-	164	177	341
Native Village of Stevens	-	-	76	76
Native Village of White Mountain	-	-	162	162
Nez Perce Tribe	-	227	237	464
Oglala Sioux Tribe	-	662	1,056	1,718
Pala Band of Mission Indians	-	167	-	167
Pueblo of Isleta	171	242	420	833
Pyramid Lake Paiute Tribe	-	184	-	184
Quapaw Tribe of Indians (The)	-	185	334	519
Quinault Indian Nation	-	179	-	179
Rincon Band of Luiseño Indians	-	161	-	161
Saint Regis Mohawk Tribe	-	241	249	490
Salt River Pima-Maricopa Indian Community	-	288	489	777
Sault Ste. Marie of Chippewa Indians	-	179	194	373
Shoshone-Bannock Tribes	-	260	448	708
Swinomish Indian Tribal Community	-	167	179	346
The Chickasaw Nation	-	-	748	748
The Red Cliff Band of Lake Superior Chippewa	-	175	187	362
The Red Lake Band of Chippewa Indians	-	322	329	651
Three Affiliated Tribes (MHA)	-	291	494	785
Upper Sioux Community	-	149	162	311
Ute Mountain Ute Tribe	-	384	-	384
Venetie Village	-	-	151	151
Village of Iliamna	-	147	-	147
White Mountain Apache Tribe	-	543	876	1,419
Yocha Dehe Wintun Nation	-	146	159	305
Yurok Tribe	-	136	179	315
	<b>\$ 171</b>	<b>\$ 15,296</b>	<b>\$ 19,418</b>	<b>\$ 34,885</b>



**Volkswagen Diesel Emissions Environmental Trust for Indian Tribe Beneficiaries**  
**Trust Asset Allocation and Allocation Adjustment**  
**June 30, 2021**  
(Dollars in thousands)

	<b>Funding</b>			<b>Tax Transfer from Tribal Allocation and Administration Costs Subaccounts to Tribe Tax</b>
	<b>October 31, 2017</b>	<b>November 30, 2017</b>	<b>November 30, 2018</b>	
Tribal Allocation	\$ 20,333	\$ 15,723	\$ 15,723	\$ (759)
Tribal Tech Advisor	1,070	828	828	(25)
Tribal Administration Cost	1,874	1,509	1,509	(47)
Tribal Advisory Council	30	-	-	-
	<b>\$ 23,307</b>	<b>\$ 18,060</b>	<b>\$ 18,060</b>	<b>\$ (831)</b>
Tribal Tax Subaccount	-	-	-	831
<b>Total</b>	<b>\$ 23,307</b>	<b>\$ 18,060</b>	<b>\$ 18,060</b>	<b>\$ -</b>

**Volkswagen Diesel Emissions Environmental Trust for Indian Tribe Beneficiaries**  
**Administration Costs Three Year Projected Budget**  
(Dollars in thousands)

	2021	2022	2023	Total 3-year projected budget
<b>Governance Costs</b>				
Trust Administrator (Wilmington Trust) *	\$23	\$23	\$23	\$69
<b>Subtotal for Governance Costs</b>	<b>\$23</b>	<b>\$23</b>	<b>\$23</b>	<b>\$69</b>
<b>Trust Professionals</b>				
Trust Counsel	\$140	\$45	\$206	\$391
Trust Accountants	58	58	58	174
Tax Return Preparation	15	15	15	45
Trust Auditors	50	50	50	150
Consultants	24	24	-	48
Website support **	-	-	-	-
Intralinks **	1	1	1	3
Tax Counsel	10	10	10	\$30
<b>Subtotal for Trust Professionals</b>	<b>\$298</b>	<b>\$203</b>	<b>\$340</b>	<b>\$841</b>
<b>Other Expenses</b>				
Contingency	\$25	\$25	\$25	\$75
<b>Subtotal for Other Expenses</b>	<b>\$25</b>	<b>\$25</b>	<b>\$25</b>	<b>\$75</b>
<b>Total Reporting Costs</b>	<b>\$346</b>	<b>\$251</b>	<b>\$388</b>	<b>\$985</b>

\* includes quarterly Trustee Administration Fees, annual QSF Administration Fee, and estimated Trustee out-of-pocket expenses

\*\* represents 2% of shared cost with State Trust (see subparagraph 2.1.3.2 of Indian Tribe Trust)