

Former boss to pay Volkswagen record sum over Dieselgate

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Former CEO Martin Winterkorn, seen in January 2017 in Berlin, denied having early knowledge of the emissions scam but resigned days after the scandal broke.

Former Volkswagen chief executive Martin Winterkorn will pay the auto giant a record mulimillion sum to settle a negligence claim surrounding

the "Dieselgate" emissions scandal, informed sources said Sunday.

"The [supervisory board](#) validated in its meeting Saturday the main points of amicable agreements" to settle the claim, a spokesman said without giving details.

Winterkorn, who resigned in 2015, a week after the diesel [emissions scandal](#) broke, will pay around 11 million euros (\$13.4 million) in damages and interest in a deal shareholders will need to endorse at a July annual general meeting, according to the sources.

The spokesman said the deal, which concerns several other senior VW figures caught up in the fallout from the scandal, would be settled and announced "in the coming days."

According to German media, Volkswagen is seeking a total of more than a billion euros in damages from its former executives with insurance covering between 200 and 500 million euros towards the fallout.

The automaker admitted in 2015 to using illegal software 'cheat devices' to rig the results of diesel engine tests in around 11 million cars.

Volkswagen indicated in late March it intended to seek damages without giving a figure following a legal investigation which found Winterkorn breached a duty of care over the use of the software cheating device designed to manipulate the level of polluting emissions in lab tests.

Including fines, legal fees and vehicle refits and recalls the scandal has cost the company some 32 billion euros.

The former CEO of VW subsidiary Audi, Rupert Stadler, who was dismissed in 2019, last September became the first former top executive to stand trial in connection with the scandal.

The affair, brought to light by US authorities, dealt a shattering blow to VW's reputation and to that of the auto industry in Germany from which it is still recovering. Looking to turn the page Volkswagen is now heavily invested in the switch to electric vehicles.

Volkswagen has always insisted that the diesel trickery was the work of a handful of lower-level employees acting without the knowledge of their superiors. Prosecutors dispute that, saying senior figures know about the scam.

Assuming shareholders sign off on the proposed fines they will outstrip those paid by former Siemens executives Heinrich von Pierer and Klaus Kleinfeld in 2010 following a bribery [scandal](#) which cost them respectively five million and two million euros.

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