

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN

CARL PALAZZOLO and ALBERT
FERRANDI, Individually and On Behalf of
All Others Similarly Situated,

Plaintiffs,

v.

FIAT CHRYSLER AUTOMOBILES N.V.,
SERGIO MARCHIONNE, RICHARD K.
PALMER, and REID BIGLAND,

Defendants.

Case No. 4:16-cv-12803-LVP-SDD

Hon. Linda V. Parker

**NOTICE OF (I) PENDENCY OF CLASS ACTION AND PROPOSED SETTLEMENT;
(II) MOTION FOR AN AWARD OF ATTORNEYS' FEES AND REIMBURSEMENT OF
LITIGATION EXPENSES; AND (III) SETTLEMENT FAIRNESS HEARING**

A Federal Court authorized this Notice. This is not a solicitation from a lawyer.

NOTICE OF PENDENCY OF CLASS ACTION: Please be advised that your rights may be affected by the above-captioned securities class action (“Action”) pending in the United States District Court for the Eastern District of Michigan (“Court”) if, during the period between November 3, 2014 and July 26, 2016, inclusive (“Class Period”), you purchased or otherwise acquired the publicly traded common stock of Fiat Chrysler Automobiles N.V. (“FCA” or the “Company”) on a U.S. Exchange and were damaged thereby.¹

NOTICE OF SETTLEMENT: Please also be advised that the Court-appointed Lead Plaintiffs Carl Palazzolo and Albert Ferrandi (“Lead Plaintiffs”), on behalf of themselves and the Settlement Class (as defined in ¶20 below), have reached a proposed settlement of the Action with FCA, Richard K. Palmer (“Palmer”) and Reid Bigland (“Bigland”); collectively with FCA and Palmer, the “Signatory Defendants”) for \$14,750,000 in cash that, if approved, will resolve all claims in the Action (“Settlement”).

PLEASE READ THIS NOTICE CAREFULLY. This Notice explains important rights you may have including the possible receipt of cash from the Settlement. If you are a member of the Settlement Class, your legal rights will be affected whether or not you act.

¹ All capitalized terms used in this Notice that are not otherwise defined herein shall have the meanings ascribed to them in the Stipulation and Agreement of Settlement dated January 31, 2019 (“Stipulation”), which is available at www.FiatSecuritiesLitigationSettlement.com.

If you have any questions about this Notice, the proposed Settlement, or your eligibility to participate in the Settlement, please DO NOT contact the Court, the Defendants in the Action or their counsel. All questions should be directed to Lead Counsel or the Claims Administrator (see ¶64 below).

Additional information about the Settlement is available on the website, www.FiatSecuritiesLitigationSettlement.com.

1. **Description of the Action and the Settlement Class:** This Notice relates to a proposed Settlement of claims in a pending putative securities class action brought by investors alleging, among other things, that defendants FCA, Sergio Marchionne, Palmer, and Bigland (collectively, “Defendants”) violated the federal securities laws by making false and misleading statements and omissions. A more detailed description of the Action is set forth in ¶¶11-19 below. The proposed Settlement, if approved by the Court, will settle claims of the Settlement Class, as defined in ¶20 below.

2. **Statement of the Settlement Class’s Recovery:** Subject to Court approval, Lead Plaintiffs, on behalf of themselves and the Settlement Class, have agreed to settle the Action in exchange for a settlement payment of \$14,750,000 in cash (“Settlement Amount”) to be deposited into an escrow account. The Net Settlement Fund (*i.e.*, the Settlement Amount plus any and all interest earned thereon (“Settlement Fund”) less (i) any Taxes and Tax Expenses; (ii) any Notice and Administration Costs; (iii) any Litigation Expenses awarded by the Court; and (iv) any attorneys’ fees awarded by the Court) will be distributed in accordance with a plan of allocation approved by the Court, which will determine how the Net Settlement Fund shall be allocated among members of the Settlement Class. The proposed plan of allocation (“Plan of Allocation”) is attached hereto as Appendix A.

3. **Estimate of Average Amount of Recovery Per Share:** Based on Lead Plaintiffs’ damages expert’s estimate of the number of shares of FCA common stock purchased on a U.S. Exchange during the Class Period that may have been affected by the conduct at issue in the Action, and assuming that all Settlement Class Members elect to participate in the Settlement, the estimated average recovery (before the deduction of any Court-approved fees, expenses, and costs as described herein) per eligible share is approximately \$0.08. **Settlement Class Members should note, however, that the foregoing average recovery per eligible share is only an estimate.** Some Settlement Class Members may recover more or less than this estimated amount depending on, among other factors: (i) when and the price at which they purchased/acquired shares of FCA common stock on a U.S. Exchange; (ii) whether they sold their shares of FCA common stock and, if so, when; (iii) the total number and value of valid Claims submitted; (iv) the amount of Notice and Administration Costs; and (v) the amount of attorneys’ fees and Litigation Expenses awarded by the Court. Distributions to Settlement Class Members will be made based on the Plan of Allocation attached hereto as Appendix A or such other plan of allocation as may be ordered by the Court.

4. **Average Amount of Damages Per Share:** The Parties do not agree on the average amount of damages per share of FCA common stock that would be recoverable if Lead Plaintiffs were to prevail in the Action. Among other things, Defendants do not agree with the assertion that they violated the federal securities laws or that any damages were suffered by any members of the Settlement Class as a result of their conduct.

5. **Attorneys' Fees and Expenses Sought:** Court-appointed Lead Counsel, Kessler Topaz Meltzer & Check, LLP and The Miller Law Firm, P.C., have not received any payment of attorneys' fees for their representation of the Settlement Class in the Action and have advanced the funds to pay expenses incurred to prosecute this Action with the expectation that if they were successful in recovering money for the Settlement Class, they would receive fees and be paid for their expenses from the Settlement Fund, as is customary in this type of litigation. Lead Counsel will apply to the Court for an award of attorneys' fees in an amount not to exceed 30% of the Settlement Fund. In addition, Lead Counsel will apply for reimbursement of Litigation Expenses incurred in connection with the institution, prosecution, and resolution of the claims against Defendants, in an amount not to exceed \$400,000, which amount may include a request for reimbursement of the reasonable costs and expenses incurred by Lead Plaintiffs directly related to their representation of the Settlement Class in accordance with 15 U.S.C. §78u-4(a)(4), in an aggregate amount not to exceed \$10,000. Any fees and expenses awarded by the Court will be paid from the Settlement Fund. Settlement Class Members are not personally liable for any such fees or expenses. The estimated average cost per eligible share of FCA common stock, if the Court approves Lead Counsel's fee and expense application, is approximately \$0.03 per share. **Please note that this amount is only an estimate.**

6. **Identification of Attorneys' Representatives:** Lead Plaintiffs and the Settlement Class are represented by Gregory M. Castaldo, Esq. of Kessler Topaz Meltzer & Check, LLP, 280 King of Prussia Road, Radnor, PA 19087, 1-610-667-7706, info@ktmc.com and E. Powell Miller, Esq. of The Miller Law Firm, P.C., 950 West University Drive, Suite 300, Rochester, MI 48307, 1-248-841-9406, FCASecuritiesSettlement@millerlawpc.com. Further information regarding the Action, the Settlement, and this Notice may be obtained by contacting Lead Counsel or the Court-appointed Claims Administrator at: *Fiat Chrysler Automobiles Securities Litigation Settlement*, c/o JND Legal Administration, P.O. Box 91245, Seattle, WA 98111-9345, 1-833-291-1644, info@FiatSecuritiesLitigationSettlement.com, www.FiatSecuritiesLitigationSettlement.com.

7. **Reasons for the Settlement:** Lead Plaintiffs' principal reason for entering into the Settlement is the immediate cash benefit for the Settlement Class without the risk or the delays and costs inherent in further litigation. Moreover, the cash benefit provided under the Settlement must be considered against the risk that a smaller recovery – or indeed no recovery at all – might be achieved after full discovery, contested motions, a trial of the Action, and the likely appeals that would follow a trial. This process could be expected to last several years. Signatory Defendants, who deny all allegations of wrongdoing or liability whatsoever, have determined that it is desirable and beneficial to them that the Action be settled in the manner and upon the terms and conditions of the Settlement.

YOUR LEGAL RIGHTS AND OPTIONS IN THE SETTLEMENT:	
SUBMIT A CLAIM FORM ONLINE OR POSTMARKED NO LATER THAN JULY 10, 2019.	This is the only way to be eligible to receive a payment from the Settlement Fund. If you are a Settlement Class Member and you remain in the Settlement Class, you will be bound by the Settlement as approved by the Court and you will give up any Released Plaintiffs' Claims (defined in ¶29 below) that you have against Defendants and the other Defendants'

	Releasees (defined in ¶30 below), so it is in your interest to submit a Claim Form.
EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS BY SUBMITTING A WRITTEN REQUEST FOR EXCLUSION SO THAT IT IS RECEIVED NO LATER THAN MAY 15, 2019.	If you exclude yourself from the Settlement Class, you will not be eligible to receive any payment from the Settlement Fund. This is the only option that allows you to ever be part of any other lawsuit against the Defendants concerning the claims that were, or could have been, asserted in this Action. It is also the <i>only</i> way for Settlement Class Members to remove themselves from the Settlement Class. If you are considering excluding yourself from the Settlement Class, please note that there is a risk that any new claims asserted against the Defendants may no longer be timely and would be time-barred. See ¶51 below.
OBJECT TO THE SETTLEMENT BY SUBMITTING A WRITTEN OBJECTION SO THAT IT IS RECEIVED NO LATER THAN MAY 15, 2019.	If you do not like the proposed Settlement, the proposed Plan of Allocation, or the requested attorneys' fees and Litigation Expenses, you may write to the Court and explain why you do not like them. In order to object, you must remain a member of the Settlement Class, may not exclude yourself, and you will be bound by the Court's determinations
GO TO A HEARING ON JUNE 5, 2019 AT 1:00 P.M., AND FILE A NOTICE OF INTENTION TO APPEAR SO THAT IT IS RECEIVED NO LATER THAN MAY 15, 2019.	If you have filed a written objection and wish to appear at the hearing, you must also file a notice of intention to appear by May 15, 2019, which allows you to speak in Court, at the discretion of the Court, about the fairness of the Settlement, the Plan of Allocation, and/or the request for attorneys' fees and Litigation Expenses. If you submit a written objection, you may (but you do not have to) attend the hearing.
DO NOTHING.	If you are a member of the Settlement Class and you do not submit a valid Claim Form, you will not be eligible to receive any payment from the Settlement Fund. You will, however, remain a member of the Settlement Class, which means that you give up your right to sue about the claims that are resolved by the Settlement and you will be bound by any judgments or orders entered by the Court in the Action.

These rights and options – and the deadlines to exercise them – are further explained in this Notice. Please Note: The date and time of the Settlement Fairness Hearing – currently scheduled for June 5, 2019 at 1:00 p.m. – is subject to change without further notice to the Settlement Class. If you plan to attend the hearing, you should check the website www.FiatSecuritiesLitigationSettlement.com or contact Lead Counsel as set forth above to confirm that no change to the date and/or time of the hearing has been made.

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WHY DID I GET THIS NOTICE?

8. The Court directed that this Notice be mailed to you because you or someone in your family or an investment account for which you serve as a custodian may have purchased or otherwise acquired FCA common stock on a U.S. Exchange during the Class Period. The Court has directed us to send you this Notice because, as a potential Settlement Class Member, you have a right to know about your options before the Court rules on the proposed Settlement. Additionally, you have the right to understand how this class action lawsuit may generally affect your legal rights. If the Court approves the Settlement and the Plan of Allocation (or some other plan of allocation), the Claims Administrator selected by Lead Plaintiffs and approved by the Court will make payments pursuant to the Settlement after any objections and appeals are resolved.

9. The purpose of this Notice is to inform you of the existence of this case, that it is a class action, how you might be affected, and how to exclude yourself from the Settlement Class if you wish to do so. It is also being sent to inform you of the terms of the proposed Settlement, and of a hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement, the proposed Plan of Allocation, and Lead Counsel's application for an award

of attorneys' fees and reimbursement of Litigation Expenses ("Settlement Fairness Hearing"). See ¶54 below for details about the Settlement Fairness Hearing, including the date and location of the hearing.

10. The issuance of this Notice is not an expression of any opinion by the Court concerning the merits of any claim in the Action, and the Court still has to decide whether to approve the Settlement. If the Court approves the Settlement and a plan of allocation, then payments to Authorized Claimants will be made after any appeals are resolved and after the completion of all claims processing. Please be patient as this process can take some time.

WHAT IS THIS CASE ABOUT?

11. This is a securities class action brought against FCA; FCA's Chief Executive Officer throughout the Class Period, Sergio Marchionne; FCA's Chief Financial Officer throughout the Class Period, Richard K. Palmer; and FCA's Head of U.S. Sales throughout the Class Period, Reid Bigland. Lead Plaintiffs allege that, during the Class Period, Defendants made false and misleading statements and failed to disclose material adverse facts about the Company's business and operations. Specifically, Lead Plaintiffs allege that Defendants fraudulently inflated FCA's U.S. vehicle sales numbers during the Class Period, including misrepresenting the Company's streak of year-over-year monthly U.S. sales growth.

12. The Action was commenced on July 29, 2016, with the filing of a putative securities class action complaint in this Court captioned *Samaras v. Fiat Chrysler Automobiles N.V., et al.*, Case No. 4:16-cv-12803-LVP-SDD. By Order dated January 18, 2017, the Court appointed Carl Palazzolo and Albert Ferrandi as lead plaintiffs and Kessler Topaz Meltzer & Check, LLP and The Miller Law Firm, P.C. as lead counsel.

13. On March 17, 2017, Lead Plaintiffs filed the operative complaint in the Action: the Consolidated Class Action Complaint for Violations of the Federal Securities Laws ("Consolidated Complaint"). The Consolidated Complaint asserted claims under §§ 10(b) and 20(a) of the Securities Exchange Act of 1934 ("Exchange Act"), 15 U.S.C. §§ 78j(b) and 78t(a), and Rule 10b-5 promulgated thereunder, against Defendants.

14. On May 16, 2017, Defendants moved to dismiss the Consolidated Complaint. By Opinion and Order dated December 14, 2017, the Court denied Defendants' motion to dismiss the Consolidated Complaint in its entirety.

15. Defendants filed their Answer to the Consolidated Complaint on January 30, 2018. (Defendants filed an Amended Answer on April 30, 2018).

16. On February 26, 2018, the Parties filed their Joint Discovery Plan with the Court, and discovery commenced. To date, Lead Plaintiffs have issued numerous document requests and requests for admission to Defendants. In response, Defendants have produced approximately one million pages of documents for Lead Plaintiffs' review. Defendants also have issued document requests and interrogatories to Lead Plaintiffs and, in response, Lead Plaintiffs have produced approximately one thousand pages of documents.

17. While discovery was ongoing, the Parties agreed to discuss a possible resolution of the Action and the Released Claims. To facilitate their negotiations, the Parties engaged in a formal mediation with the Hon. Daniel Weinstein (Ret.) on March 27, 2018. In advance of the mediation, the Parties prepared and exchanged detailed mediation statements. Although the Parties were unable to reach a resolution of the Action at the mediation, they thereafter continued their discussions with the assistance of Judge Weinstein. Following continued discussions, the Parties accepted a mediator's proposal to settle the Action and the Released Claims for \$14.75 million.

18. On January 31, 2019, the Parties entered into the Stipulation, which sets forth the final terms and conditions of the Settlement. The Stipulation can be viewed at www.FiatSecuritiesLitigationSettlement.com.

19. On February 20, 2019, the Court preliminarily approved the Settlement, authorized this Notice to be disseminated to potential Settlement Class Members, and scheduled the Settlement Fairness Hearing to consider whether to grant final approval to the Settlement.

**HOW DO I KNOW IF I AM AFFECTED BY THE SETTLEMENT?
WHO IS INCLUDED IN THE SETTLEMENT CLASS?**

20. If you are a member of the Settlement Class, you are subject to the Settlement, unless you timely request to be excluded from the Settlement Class. The Settlement Class provisionally certified by the Court for purposes of effectuating the Settlement consists of:

All persons and entities who purchased or otherwise acquired the publicly traded common stock of FCA on a U.S. Exchange between November 3, 2014 and July 26, 2016, inclusive, and were damaged thereby.

Excluded from the Settlement Class are (i) Defendants; (ii) present and former directors or executive officers of the Company; (iii) any of Defendants' Immediate Family members; (iv) any of the foregoing individuals' or entities' legal representatives, heirs, successors, or assigns; and (v) any entity in which any Defendant has a controlling interest, or which is related to or affiliated with any of the Defendants. Also excluded from the Settlement Class are any persons and entities who or which exclude themselves by submitting a request for exclusion that is accepted by the Court. See "What If I Do Not Want To Be A Member Of The Settlement Class? How Do I Exclude Myself," on page 13 below.

PLEASE NOTE: RECEIPT OF THIS NOTICE DOES NOT MEAN THAT YOU ARE A SETTLEMENT CLASS MEMBER OR THAT YOU WILL BE ENTITLED TO RECEIVE PROCEEDS FROM THE SETTLEMENT.

IF YOU ARE A SETTLEMENT CLASS MEMBER AND YOU WISH TO BE ELIGIBLE TO PARTICIPATE IN THE DISTRIBUTION OF PROCEEDS FROM THE SETTLEMENT, YOU ARE REQUIRED TO SUBMIT THE CLAIM FORM THAT IS BEING DISTRIBUTED WITH THIS NOTICE AND THE REQUIRED SUPPORTING DOCUMENTATION AS SET FORTH THEREIN POSTMARKED (IF MAILED), OR ONLINE, NO LATER THAN JULY 10, 2019.

WHAT ARE LEAD PLAINTIFFS' REASONS FOR THE SETTLEMENT?

21. Lead Plaintiffs and Lead Counsel believe that the claims asserted against Defendants have merit; however, they also recognize the substantial risks in continuing to litigate the Action. For example, Defendants have raised a number of arguments and defenses, including that Defendants made no misrepresentations, that the alleged misrepresentations were immaterial as a matter of law and that Lead Plaintiffs would not be able to establish that Defendants acted with the requisite intent. Even assuming Lead Plaintiffs could establish Defendants' liability, the amount of damages that could be attributed to the allegedly false statements would be hotly contested. Additionally, Lead Plaintiffs and Lead Counsel recognize the significant expense and length of continued proceedings necessary to pursue their claims against Defendants through discovery, further motion practice, trial, and appeals. Thus, there were very significant risks attendant to the continued prosecution of the Action.

22. In light of these risks, the amount of the Settlement, and the immediacy of recovery to the Settlement Class, Lead Plaintiffs and Lead Counsel believe that the proposed Settlement is fair, reasonable, and adequate, and in the best interests of the Settlement Class. Lead Plaintiffs and Lead Counsel believe that the Settlement provides a favorable result for the Settlement Class, namely \$14,750,000 in cash (less the various deductions described in this Notice), as compared to the risk that the claims in the Action would produce a smaller, or no, recovery after discovery, summary judgment, trial, and appeals, possibly years in the future.

23. Defendants have denied the claims asserted against them in the Action and deny having engaged in any wrongdoing or violation of law of any kind whatsoever. Defendants have agreed to the Settlement to eliminate the burden and expense of continued litigation, and the Settlement may not be construed as an admission of any wrongdoing by Defendants in this or any other action or proceeding.

WHAT MIGHT HAPPEN IF THERE WERE NO SETTLEMENT?

24. If there were no Settlement and Lead Plaintiffs failed to establish any essential legal or factual element of their claims against Defendants, neither Lead Plaintiffs nor the other members of the Settlement Class would recover anything from Defendants. Also, if Defendants were successful in proving any of their defenses, either at summary judgment, at trial, or on appeal, the Settlement Class could recover substantially less than the amount provided in the Settlement, or nothing at all.

HOW ARE SETTLEMENT CLASS MEMBERS AFFECTED BY THE ACTION AND THE SETTLEMENT?

25. The law firms of Kessler Topaz Meltzer & Check, LLP and The Miller Law Firm, P.C. were appointed to represent all Settlement Class Members. These lawyers are called Lead Counsel. You will not be separately charged for the services of these lawyers. The Court will determine the amount of Lead Counsel's fees and expenses. Any fees and expenses awarded by the Court will be paid from the Settlement Fund. As a Settlement Class Member, you are

represented by Lead Counsel. If you want to be represented by your own lawyer, you may hire one at your own expense. You are not required to retain your own counsel, but if you choose to do so, such counsel must file a notice of appearance on your behalf. *See* “When And Where Will The Court Decide Whether To Approve The Settlement?,” on page 14 below.

26. If you are a Settlement Class Member and do not wish to remain a Settlement Class Member, you may exclude yourself from the Settlement Class by following the instructions in the section entitled, “What If I Do Not Want To Be A Member Of The Settlement Class? How Do I Exclude Myself?,” on page 13 below.

27. If you are a Settlement Class Member and you wish to object to the Settlement, the Plan of Allocation, or Lead Counsel’s application for attorneys’ fees and reimbursement of Litigation Expenses, and if you do not exclude yourself from the Settlement Class, you may present your objections by following the instructions in the section entitled, “When And Where Will The Court Decide Whether To Approve The Settlement?,” on page 14 below.

28. If you are a Settlement Class Member and you do not exclude yourself from the Settlement Class, you will be bound by any orders issued by the Court. If the Settlement is approved, the Court will enter a judgment (“Judgment”). The Judgment will dismiss with prejudice the claims against Defendants and will provide that, upon the Effective Date of the Settlement, Lead Plaintiffs and each of the other Settlement Class Members, on behalf of themselves, and their respective heirs, executors, administrators, predecessors, successors, and assigns in their capacities as such, and on behalf of any other person or entity legally entitled to bring Released Plaintiffs’ Claims (as defined in ¶29 below) on behalf of any Settlement Class Member, shall be deemed to have, and by operation of law and of the Judgment shall have fully, finally, and forever compromised, settled, released, resolved, relinquished, waived, and discharged each and every Released Plaintiffs’ Claim against the Defendants’ Releasees (as defined in ¶30 below), and shall forever be barred and enjoined from commencing, instituting, maintaining, prosecuting or continuing to prosecute any or all of the Released Plaintiffs’ Claims against any of the Defendants’ Releasees, in this Action or in any other proceeding. This Release shall not apply to any Excluded Plaintiffs’ Claims (as defined in ¶29 below).

29. “Released Plaintiffs’ Claims” means any and all claims, rights, duties, controversies, obligations, demands, actions, debts, sums of money, suits, contracts, agreements, promises, damages, losses, judgments, liabilities, allegations, arguments, and causes of action of every nature and description, whether known claims or Unknown Claims, whether arising under federal, state, local, common, statutory, administrative, or foreign law, or any other law, rule or regulation, at law or in equity, whether class or individual in nature, whether fixed or contingent, whether accrued or unaccrued, whether liquidated or unliquidated, whether matured or unmatured, that Lead Plaintiffs or any other member of the Settlement Class (i) asserted in the Consolidated Complaint or (ii) could have asserted in any court or forum that arise out of or are based upon the allegations, transactions, facts, matters or occurrences, representations, or omissions set forth in the Consolidated Complaint and that relate to the purchase, acquisition or ownership of shares of FCA common stock on (and for ownership, shares resulting from a purchase or acquisition on) the New York Stock Exchange or any other securities exchange located in the United States (“U.S. Exchange”) during the Class Period. “Released Plaintiffs’ Claims” do not include (i) any claims relating to the enforcement of the Settlement; (ii) any claims asserted in the actions *Napleton’s*

Arlington Heights Motors, Inc., et al., v. FCA US LLC, No. 1:16-cv-00403-VMK-SMF (N.D. Ill.) and *Pirnik v. Fiat Chrysler Automobiles NV et al.*, No. 1:15-cv-07199 (S.D.N.Y.); or (iii) any claims of any person or entity who or which submits a request for exclusion from the Settlement Class that is accepted by the Court (“Excluded Plaintiffs’ Claims”).

30. “Defendants’ Releasees” means Defendants, together with their past, present, or future affiliates, divisions, joint ventures, assigns, assignees, direct or indirect parents or subsidiaries, controlling shareholders, successors, predecessors, and entities in which a Defendant has a controlling interest, and each of their past, present, or future officers, directors, agents, employees, partners, members, attorneys, controlling shareholders, advisors, investment advisors, auditors, accountants, insurers (including reinsurers and co-insurers), and Immediate Family members, and the legal representatives, heirs, trusts, trustees, executors, estates, administrators, beneficiaries, successors in interest, or assigns of any of the foregoing. For the avoidance of doubt, “Defendants’ Releasees” expressly includes Roland Iseli and Alessandro Baldi, as Co-Executors of the Estate of Sergio Marchionne.

31. “Unknown Claims” means any Released Plaintiffs’ Claims which Lead Plaintiffs or any other Settlement Class Member does not know or suspect to exist in his, her, or its favor at the time of the release of such claims, and any Released Defendants’ Claims which any Signatory Defendant does not know or suspect to exist in his or its favor at the time of the release of such claims. With respect to any and all Released Claims, the Parties stipulate and agree that, upon the Effective Date of the Settlement, Lead Plaintiffs and Signatory Defendants shall expressly waive, and each of the Settlement Class Members shall be deemed to have, and by operation of the Judgment or the Alternative Judgment, if applicable, shall have, expressly waived, the provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law or foreign law, which is similar, comparable, or equivalent to California Civil Code §1542, which provides:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

The Parties acknowledge that they may hereafter discover facts in addition to or different from those which he or it or their counsel now knows or believes to be true with respect to the subject matter of the Released Claims, but, upon the Effective Date, Lead Plaintiffs and Signatory Defendants shall expressly settle and release, and each of the other Settlement Class Members shall be deemed to have, and by operation of the Judgment or the Alternative Judgment, if applicable, shall have, settled and released, any and all Released Claims without regard to the subsequent discovery or existence of such different or additional facts. Lead Plaintiffs and Signatory Defendants acknowledge, and each of the other Settlement Class Members shall be deemed by operation of the Judgment or the Alternative Judgment, if applicable, to have acknowledged, that the foregoing waiver was separately bargained for and is a key element of the Settlement of which this release is a part.

32. The Judgment will also provide that, upon the Effective Date of the Settlement, Signatory Defendants, on behalf of themselves, and their respective heirs, executors, administrators, predecessors, successors, and assigns in their capacities as such, and on behalf of any other person

or entity legally entitled to bring Released Defendants' Claims on behalf of the Defendants, shall be deemed to have, and by operation of law and of the Judgment shall have, fully, finally, and forever compromised, settled, released, resolved, relinquished, waived, and discharged each and every Released Defendants' Claim (as defined in ¶33 below) against the Plaintiffs' Releasees (as defined in ¶34 below), and shall forever be barred and enjoined from commencing, instituting, maintaining, prosecuting or continuing to prosecute any or all of the Released Defendants' Claims against any of the Plaintiffs' Releasees, in this Action or in any other proceeding. This Release shall not apply to any Excluded Defendants' Claims (as defined in ¶33 below).

33. "Released Defendants' Claims" means any and all claims, rights, duties, controversies, obligations, demands, actions, debts, sums of money, suits, contracts, agreements, promises, damages, losses, judgments, liabilities, allegations, arguments, and causes of action of every nature and description, whether known claims or Unknown Claims, whether arising under federal, state, local, common, statutory, administrative, or foreign law, or any other law, rule or regulation, at law or in equity, whether class or individual in nature, whether fixed or contingent, whether accrued or unaccrued, whether liquidated or unliquidated, whether matured or unmatured, that arise out of or relate in any way to the institution, prosecution, or settlement of the claims asserted in the Action. "Released Defendants' Claims" does not include (i) any claims relating to the enforcement of the Settlement; or (ii) any claims against any person or entity who submits a request for exclusion from the Settlement Class that is accepted by the Court ("Excluded Defendants' Claims").

34. "Plaintiffs' Releasees" means (i) Lead Plaintiffs, their attorneys and all other Settlement Class Members; (ii) the current and former parents, affiliates, subsidiaries, successors, predecessors, assigns, and assignees of each of the foregoing in (i); and (iii) the current and former officers, directors, Immediate Family members, heirs, trusts, trustees, executors, estates, administrators, beneficiaries, agents, affiliates, insurers, reinsurers, predecessors, successors, assigns, and advisors of each of the persons or entities listed in (i) and (ii), in their capacities as such.

<p style="text-align: center;">HOW DO I PARTICIPATE IN THE SETTLEMENT? WHAT DO I NEED TO DO?</p>

35. To be eligible for a payment from the proceeds of the Settlement, you must be a member of the Settlement Class and you must timely complete and return the Claim Form with adequate supporting documentation *postmarked (if mailed), or submitted online at www.FiatSecuritiesLitigationSettlement.com, no later than July 10, 2019*. A Claim Form is included with this Notice, or you may obtain one from the website maintained by the Claims Administrator for the Settlement, www.FiatSecuritiesLitigationSettlement.com, or you may request that a Claim Form be mailed to you by calling the Claims Administrator toll free at 1-833-291-1644, or by emailing the Claims Administrator at info@FiatSecuritiesLitigationSettlement.com. You may also submit your Claim online. **Please retain all records of your ownership of and transactions in FCA common stock, as they may be needed to document your Claim.** If you request exclusion from the Settlement Class or do not submit a timely and valid Claim Form, you will not be eligible to share in the Net Settlement Fund.

HOW MUCH WILL MY PAYMENT BE?

36. At this time, it is not possible to make any determination as to how much any individual Settlement Class Member may receive from the Settlement.

37. Pursuant to the Settlement, Defendants shall pay or cause to be paid \$14,750,000 in cash. The Settlement Amount will be deposited into an escrow account. The Settlement Amount plus any interest earned thereon is referred to as the “Settlement Fund.” If the Settlement is approved by the Court and the Effective Date occurs, the “Net Settlement Fund” (as defined in ¶2 above) will be distributed to Settlement Class Members who submit valid Claim Forms, in accordance with the proposed Plan of Allocation or such other plan of allocation as the Court may approve.

38. The Net Settlement Fund will not be distributed unless and until the Court has approved the Settlement and a plan of allocation and that decision is affirmed on appeal (if any) and/or the time for any petition for rehearing, appeal, or review, whether by certiorari or otherwise, has expired.

39. Neither Defendants nor any other person or entity that paid any portion of the Settlement Amount on their behalf are entitled to get back any portion of the Settlement Fund once the Court’s order or judgment approving the Settlement becomes Final, including following any appeals. Defendants shall not have any liability, obligation, or responsibility for the administration of the Settlement, the disbursement of the Net Settlement Fund, or the plan of allocation.

40. Approval of the Settlement is independent from approval of a plan of allocation. Any determination with respect to a plan of allocation will not affect the Settlement, if approved.

41. Unless the Court otherwise orders, any Settlement Class Member who fails to submit a Claim Form postmarked (if mailed), or online, on or before July 10, 2019 shall be fully and forever barred from receiving payment(s) pursuant to the Settlement but will in all other respects remain a Settlement Class Member and be subject to the provisions of the Stipulation, including the terms of any Judgment entered and the Releases given. This means that each Settlement Class Member releases the Released Plaintiffs’ Claims (as defined in ¶29 above) against the Defendants’ Releasees (as defined in ¶30 above) and will be enjoined and prohibited from filing, prosecuting, or pursuing any of the Released Plaintiffs’ Claims against any of the Defendants’ Releasees whether or not such Settlement Class Member submits a Claim Form.

42. Participants in and beneficiaries of any employee retirement and/or benefit plan (“Employee Plan”) should NOT include any information relating to shares of FCA common stock purchased/acquired through an Employee Plan in any Claim Form they submit in this Action. They should include ONLY those eligible shares of FCA common stock purchased/acquired during the Class Period outside of an Employee Plan. Claims based on any Employee Plan(s)’ purchases/acquisitions of eligible FCA common stock during the Class Period may be made by the Employee Plan(s)’ trustees. To the extent any of the Defendants or any of the other persons or entities excluded from the Settlement Class are participants in an Employee Plan(s), such persons or entities shall not receive, either directly or indirectly, any portion of the recovery that may be obtained from the Settlement by such Employee Plan(s).

43. The Court has reserved jurisdiction to allow, disallow, or adjust on equitable grounds the Claim of any Settlement Class Member.

44. Each Claimant shall be deemed to have submitted to the jurisdiction of the Court with respect to his, her, or its Claim Form.

45. Only Settlement Class Members, *i.e.*, persons and entities who purchased or otherwise acquired FCA common stock on a U.S. Exchange during the Class Period and were damaged thereby, will be eligible to share in the distribution of the Net Settlement Fund. Persons and entities who are excluded from the Settlement Class by definition or who exclude themselves from the Settlement Class pursuant to an exclusion request will not be eligible to receive a distribution from the Net Settlement Fund and should not submit Claim Forms.

46. **Appendix A to this Notice sets forth the Plan of Allocation for allocating the Net Settlement Fund among Authorized Claimants, as proposed by Lead Plaintiffs and Lead Counsel. At the Settlement Fairness Hearing, Lead Counsel will request the Court approve the Plan of Allocation. The Court may modify the Plan of Allocation, or approve a different plan of allocation, without further notice to the Settlement Class.**

WHAT PAYMENT ARE THE ATTORNEYS FOR THE SETTLEMENT CLASS SEEKING? HOW WILL THE LAWYERS BE PAID?

47. Lead Counsel have not received any payment for their services in pursuing claims against the Defendants on behalf of the Settlement Class, nor have Lead Counsel been reimbursed for their out-of-pocket expenses. Before final approval of the Settlement, Lead Counsel will apply to the Court for an award of attorneys' fees in an amount not to exceed 30% of the Settlement Fund. At the same time, Lead Counsel also intend to apply for reimbursement of Litigation Expenses in an amount not to exceed \$400,000, which amount may include an application for reimbursement of the reasonable costs and expenses incurred by Lead Plaintiffs directly related to their representation of the Settlement Class in accordance with 15 U.S.C. §78u-4(a)(4), in an aggregate amount not to exceed \$10,000. The Court will determine the amount of any award of attorneys' fees or reimbursement of Litigation Expenses. Such sums as may be approved by the Court will be paid from the Settlement Fund. Settlement Class Members are not personally liable for any such fees or expenses.

WHAT IF I DO NOT WANT TO BE A MEMBER OF THE SETTLEMENT CLASS? HOW DO I EXCLUDE MYSELF?

48. Each Settlement Class Member will be bound by all determinations and judgments in this lawsuit, whether favorable or unfavorable, unless such person or entity mails or delivers a written request for exclusion addressed to: *Fiat Chrysler Automobile Securities Litigation Settlement*, EXCLUSIONS, c/o JND Legal Administration, P.O. Box 91245, Seattle, WA 98111-9345. The request for exclusion must be **received no later than May 15, 2019**. You will not be able to exclude yourself from the Settlement Class after that date.

49. Each request for exclusion must: (i) state the name, address, and telephone number of the person or entity requesting exclusion, and in the case of entities, the name and telephone number of the appropriate contact person; (ii) state that such person or entity “requests exclusion from the Settlement Class in *Palazzolo, et al. v. Fiat Chrysler Automobiles N.V., et al.*, Case No. 4:16-cv-12803-LVP-SDD”; (iii) state the number of shares of FCA common stock that the person or entity requesting exclusion purchased/acquired and/or sold on a U.S. Exchange during the Class Period (*i.e.*, between November 3, 2014 and July 26, 2016, inclusive), as well as the dates, number of shares, and prices of each such purchase/acquisition and/or sale; and (iv) be signed by the person or entity requesting exclusion or an authorized representative.

50. A request for exclusion shall not be valid and effective unless it provides all the information called for in ¶49 and is received within the time stated above, or is otherwise accepted by the Court.

51. If you do not want to be part of the Settlement Class, you must follow these instructions for exclusion even if you have pending, or later file, another lawsuit, arbitration, or other proceeding relating to any Released Plaintiffs’ Claim against any of the Defendants’ Releasees. Excluding yourself from the Settlement Class is the only option that allows you to be part of any other current or future lawsuit against Defendants or any of the other Defendants’ Releasees concerning the Released Plaintiffs’ Claims. Please note, however, if you decide to exclude yourself from the Settlement Class, you may be time-barred from asserting the claims covered by the Action by a statute of repose. In addition, Defendants and the other Defendants’ Releasees will have the right to assert any and all defenses they may have to any claims that you may seek to assert.

52. If you ask to be excluded from the Settlement Class, you will not be eligible to receive any payment out of the Net Settlement Fund.

WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT? DO I HAVE TO COME TO THE HEARING? MAY I SPEAK AT THE HEARING IF I DON’T LIKE THE SETTLEMENT?

53. **Settlement Class Members do not need to attend the Settlement Fairness Hearing. The Court will consider any submission made in accordance with the provisions below even if a Settlement Class Member does not attend the hearing.** Please Note: The date and time of the Settlement Fairness Hearing may change without further written notice to the Settlement Class. If you plan on attending the hearing, please check the website, www.FiatSecuritiesLitigationSettlement.com, or contact Lead Counsel to confirm that the date and/or time of the hearing has not changed.

54. The Settlement Fairness Hearing will be held on **June 5, 2019 at 1:00 p.m.**, before the Honorable Linda V. Parker at the Theodore Levin Courthouse, 231 W. Lafayette Blvd., Detroit, MI 48226, Courtroom 206. The Court reserves the right to approve the Settlement, the Plan of Allocation, Lead Counsel’s motion for an award of attorneys’ fees and reimbursement of Litigation Expenses, and/or any other matter related to the Settlement at or after the Settlement Fairness Hearing without further notice to the members of the Settlement Class.

55. Any Settlement Class Member who or which does not request exclusion may object to the Settlement, the Plan of Allocation, or Lead Counsel’s motion for an award of attorneys’ fees and reimbursement of Litigation Expenses. Objections must be in writing. You must file any written objection, together with copies of all other papers and briefs supporting the objection, with the Clerk’s Office at the United States District Court for the Eastern District of Michigan at the address set forth below as well as serve copies on Lead Counsel and on Defendants’ Counsel at the addresses set forth below *on or before May 15, 2019*.

Clerk’s Office	Lead Counsel	Defendants’ Counsel
United States District Court Eastern District of Michigan Theodore Levin Courthouse 231 W. Lafayette Blvd. Room 599 Detroit, MI 48226	Gregory M. Castaldo Kessler Topaz Meltzer & Check, LLP 280 King of Prussia Road Radnor, PA 19087 E. Powell Miller The Miller Law Firm, P.C. 950 West University Drive, Suite 300 Rochester, MI 48307	<i>Counsel for Fiat Chrysler Automobiles N.V. and Richard K. Palmer</i> Robert J. Giuffra, Jr. William B. Monahan Sullivan & Cromwell LLP 125 Broad Street New York, NY 10004-2498 <i>Counsel for Reid Bigland</i> Rachel B. Goldman Bracewell LLP 1251 Avenue of the Americas, 49th Floor New York, NY 10020-1100

56. To object, you must send a letter to the Court saying that you object to the Settlement in *Palazzolo, et al. v. Fiat Chrysler Automobiles N.V., et al.*, Case No. 4:16-cv-12803-LVP-SDD, and stating the reasons that you object to the Settlement, or any part thereof.

57. Any objection must: (i) state the name, address, and telephone number of the person or entity objecting and be signed by the objector; (ii) state whether the objector is represented by counsel and, if so, the name, address, and telephone number of the objector’s counsel; (iii) indicate whether the objection applies only to the objector, to a specific subset of the Settlement Class, or to the entire Settlement Class; (iv) state with specificity the grounds for the Settlement Class Member’s objection or objections, and the specific reasons for each objection, including any legal and evidentiary support the Settlement Class Member wishes to bring to the Court’s attention; and (v) include documents sufficient to prove membership in the Settlement Class, consisting of documents showing the number of shares of FCA common stock that the objector purchased/acquired and/or sold on a U.S. Exchange during the Class Period (*i.e.*, between November 3, 2014 and July 26, 2016, inclusive), as well as the dates, number of shares, and prices of each such purchase/acquisition and/or sale.²

² Documentation establishing membership in the Settlement Class must consist of copies of brokerage confirmation slips or monthly brokerage account statements, or an authorized statement from the objector’s

58. **You may not object to the Settlement, Plan of Allocation, or Lead Counsel's motion for attorneys' fees and Litigation Expenses if you exclude yourself from the Settlement Class or if you are not a member of the Settlement Class.**

59. You may submit an objection without having to appear at the Settlement Fairness Hearing. You may not, however, appear at the Settlement Fairness Hearing to present your objection unless (1) you first submit a written objection in accordance with the procedures described above, (2) you first submit your notice of appearance in accordance with the procedures described below, or (3) the Court orders otherwise.

60. If you wish to be heard orally at the hearing in opposition to the approval of the Settlement, the Plan of Allocation, or Lead Counsel's motion for an award of attorneys' fees and Litigation Expenses, and if you timely submit a written objection as described above, you must also file a notice of appearance with the Clerk's Office and serve it on Lead Counsel and Defendants' Counsel at the addresses set forth in ¶55 above so that it is **received on or before May 15, 2019**. Persons who intend to object and desire to present evidence at the Settlement Fairness Hearing must include in their written objection or notice of appearance the identity of any witnesses they may call to testify and exhibits they intend to introduce into evidence at the hearing. Such persons may be heard orally at the discretion of the Court.

61. You are not required to hire an attorney to represent you in making written objections or in appearing at the Settlement Fairness Hearing. However, if you decide to hire an attorney, it will be at your own expense, and that attorney must file a notice of appearance with the Court and serve it on Lead Counsel and Defendants' Counsel at the addresses set forth in ¶55 above so that the notice is **received on or before May 15, 2019**.

62. **Unless the Court orders otherwise, any Settlement Class Member who does not object in the manner described above will be deemed to have waived any objection and shall be forever foreclosed from making any objection to the proposed Settlement, the proposed Plan of Allocation, or Lead Counsel's motion for an award of attorneys' fees and reimbursement of Litigation Expenses. Settlement Class Members do not need to appear at the Settlement Fairness Hearing or take any other action to indicate their approval.**

WHAT IF I BOUGHT SHARES ON SOMEONE ELSE'S BEHALF?

63. If you purchased or otherwise acquired FCA common stock on a U.S. Exchange between November 3, 2014 and July 26, 2016, inclusive, for the beneficial interest of persons or organizations other than yourself, you must either (i) within seven (7) calendar days of receipt of this Notice, request from the Claims Administrator sufficient copies of the Notice and Claim Form (the "Notice Packet") to forward to all such beneficial owners and within seven (7) calendar days of receipt of those Notice Packets forward them to all such beneficial owners; or (ii) within seven (7) calendar days of receipt of this Notice, provide a list of the names and addresses (and e-mail

broker containing the transactional and holding information found in a broker confirmation slip or account statement. Documentation must also show that the FCA common stock was purchased or acquired on a U.S. Exchange.

addresses, if available) of all such beneficial owners to *Fiat Chrysler Automobiles Securities Litigation Settlement*, c/o JND Legal Administration, P.O. Box 91245, Seattle, WA 98111-9345. If you choose the second option, the Claims Administrator will send a copy of the Notice Packet to the beneficial owners. Upon full compliance with these directions, such nominees may seek reimbursement of their reasonable expenses actually incurred, by providing the Claims Administrator with proper documentation supporting the expenses for which reimbursement is sought. Copies of this Notice and the Claim Form may also be obtained from the Settlement website, www.FiatSecuritiesLitigationSettlement.com, by calling the Claims Administrator toll-free at 1-833-291-1644, or by emailing the Claims Administrator at info@FiatSecuritiesLitigationSettlement.com.

**CAN I SEE THE COURT FILE? WHOM SHOULD I CONTACT IF I
HAVE QUESTIONS?**

64. This Notice contains only a summary of the terms of the Settlement. For the terms and conditions of the Settlement, please see the Stipulation available at www.FiatSecuritiesLitigationSettlement.com. More detailed information about the matters involved in this Action can be obtained by accessing the Court docket in this case, for a fee, through the Court's Public Access to Court Electronic Records (PACER) system at <https://www.mied.uscourts.gov>, or by visiting, during regular office hours, the Office of the Clerk, United States District Court for the Eastern District of Michigan, Theodore Levin Courthouse, 231 W. Lafayette Blvd., Room 599, Detroit, MI 48226. Additionally, copies of any related orders entered by the Court will be posted on the website for the Settlement, www.FiatSecuritiesLitigationSettlement.com.

All inquiries concerning this Notice and the Claim Form should be directed to:

Fiat Chrysler Automobiles Securities Litigation Settlement

c/o JND Legal Administration

P.O. Box 91245

Seattle, WA 98111-9345

1-833-291-1644

info@FiatSecuritiesLitigationSettlement.com

www.FiatSecuritiesLitigationSettlement.com

and/or

Gregory M. Castaldo
Kessler Topaz Meltzer & Check, LLP
280 King of Prussia Road
Radnor, PA 19087

E. Powell Miller
The Miller Law Firm, P.C.
950 West University Drive, Suite 300
Rochester, MI 48307

**PLEASE DO NOT CALL OR WRITE THE COURT, THE OFFICE OF THE CLERK OF
THE COURT, DEFENDANTS OR THEIR COUNSEL REGARDING THIS NOTICE.**

Dated: February 20, 2019

By Order of the Court
United States District Court
Eastern District of Michigan

APPENDIX A

Proposed Plan of Allocation of Net Settlement Fund Among Authorized Claimants

The Plan of Allocation set forth herein is the plan that is being proposed to the Court for approval by Lead Plaintiffs after consultation with their damages expert. The Court may approve the Plan of Allocation with or without modification, or approve another plan of allocation, without further notice to the Settlement Class. Any Orders regarding a modification of the Plan of Allocation will be posted on the website for the Settlement, www.FiatSecuritiesLitigationSettlement.com. The Plan of Allocation is a matter separate and apart from the proposed Settlement, and any decision by the Court concerning the Plan of Allocation shall not affect the validity or finality of the proposed Settlement. Defendants have had, and will have, no involvement or responsibility for the terms or application of the Plan of Allocation.

The objective of the proposed Plan of Allocation is to equitably distribute the Net Settlement Fund among those Settlement Class Members who suffered economic losses as a result of the alleged violations of the federal securities laws set forth in the Consolidated Complaint, as opposed to economic losses caused by market or industry factors. To that end, Lead Plaintiffs' damages expert calculated the estimated amount of alleged artificial inflation in the per share price of FCA common stock on U.S. exchanges over the course of the Class Period that was allegedly proximately caused by Defendants' alleged materially false and misleading misrepresentations and omissions. In calculating the estimated artificial inflation allegedly caused by those misrepresentations and omissions, Lead Plaintiffs' damages expert considered price changes in FCA common stock in reaction to public disclosures that allegedly corrected the respective alleged misrepresentations and omissions. The calculations made pursuant to the Plan of Allocation, however, do not represent a formal damages analysis that has been adjudicated in the Action and are not intended to measure the amounts that Settlement Class Members would recover after a trial. Nor are these calculations intended to be estimates of the amounts that will be paid to Authorized Claimants pursuant to the Settlement. The computations under the Plan of Allocation are only a method to weigh the claims of Authorized Claimants against one another for the purposes of making *pro rata* allocations of the Net Settlement Fund.

For losses to be compensable damages under the federal securities laws, the disclosure of the allegedly misrepresented information must be the cause of the decline in the price of the security. Accordingly, to have a "Recognized Loss Amount" pursuant to the Plan of Allocation, a person or entity must have purchased or otherwise acquired the publicly traded common stock of FCA on a U.S. Exchange during the Class Period (i.e., between November 3, 2014 and July 26, 2016, inclusive) and ***held such common stock through*** at least one of the alleged corrective disclosures that removed alleged artificial inflation related to that information. To that end, Lead Plaintiffs' damages expert has identified four dates on which alleged artificial inflation was removed from the price of FCA common stock in reaction to alleged corrective information being disclosed to the market: January 14, 2016, July 18, 2016, July 19, 2016, and July 27, 2016.

CALCULATION OF RECOGNIZED LOSS AMOUNTS

1. For purposes of determining whether a Claimant has a “Recognized Claim,” purchases, acquisitions, and sales of FCA common stock will first be matched on a First In, First Out (“FIFO”) basis as set forth in ¶6 below.

2. A “Recognized Loss Amount” will be calculated as set forth below for each share of FCA common stock purchased or otherwise acquired on a U.S. Exchange between November 3, 2014 and July 26, 2016, inclusive, that is listed in the Claim Form and for which adequate documentation is provided. **Please Note:** Only purchases or other acquisitions of the publicly traded common stock of FCA *on a U.S. Exchange* are eligible to participate in the Settlement. To the extent that the calculation of a Claimant’s Recognized Loss Amount results in a negative number, that number shall be set to zero. The sum of a Claimant’s Recognized Loss Amounts will be the Claimant’s “Recognized Claim.”

3. For each share of FCA common stock purchased or otherwise acquired on a U.S. Exchange between November 3, 2014 and July 26, 2016, inclusive, and sold on or before October 24, 2016,³ an “Out of Pocket Loss” will be calculated. Out of Pocket Loss is defined as the per-share purchase/acquisition price (excluding all fees, taxes, and commissions) *minus* the per-share sale price (excluding all fees, taxes, and commissions).⁴ To the extent that the calculation of an Out of Pocket Loss results in a negative number, that number shall be set to zero.

4. A Claimant’s Recognized Loss Amount per share of FCA common stock purchased or otherwise acquired on a U.S. Exchange during the Class Period will be calculated as follows:

- A. For each share of FCA common stock purchased or otherwise acquired during the Class Period and subsequently sold prior to the opening of trading on January 14, 2016, the Recognized Loss Amount is \$0.
- B. For each share of FCA common stock purchased or otherwise acquired during the Class Period and subsequently sold after the opening of trading on January 14, 2016 and prior to the close of trading on July 26, 2016, the Recognized Loss Amount shall be *the lesser of:*

³ October 24, 2016 is the last day of the 90-day period subsequent to the end of the Class Period, i.e., July 26, 2016 (the “90-day look-back period;” the period of July 27, 2016 through October 24, 2016). A Settlement Class Member’s Recognized Loss Amount cannot, under the PSLRA, exceed the difference between the purchase price paid for the FCA common stock and the average price of FCA common stock during the 90-day look-back period if the common stock was held through October 24, 2016, the end of this period. Losses on FCA common stock purchased/acquired during the period between November 3, 2014 and July 26, 2016, inclusive, and sold during the 90-day look-back period cannot exceed the difference between the purchase price paid for the FCA common stock and the average price of FCA common stock during the portion of the 90-day look-back period elapsed as of the date of sale (the “90-Day look-back value”), as set forth in **Table 2** below.

⁴ On January 3, 2014, FCA announced the completion of the spinoff of its stake in Ferrari. The Claims Administrator will multiply unadjusted FCA share prices prior to 2016 by 100/152 in order to account for the spinoff and use comparable prices throughout the Class Period in calculating each Out of Pocket Loss.

- (i) the dollar amount of alleged artificial inflation applicable to each such share on the date of purchase/acquisition as set forth in **Table 1** below *minus* the dollar amount of alleged artificial inflation applicable to each such share on the date of sale as set forth in **Table 1** below;⁵ or
 - (ii) the Out of Pocket Loss.
- C. For each share of FCA common stock purchased or otherwise acquired during the Class Period and subsequently sold after the close of trading on July 26, 2016 and prior to the close of trading on October 24, 2016 (i.e., the last day of the 90-day look-back period), the Recognized Loss Amount shall be *the least of*:
 - (i) the dollar amount of alleged artificial inflation applicable to each such share on the date of purchase/acquisition as set forth in **Table 1**;
 - (ii) the purchase/acquisition price of each such share (excluding all fees, taxes, and commissions) *minus* the 90-Day Look-back Value as set forth in **Table 2** below; or
 - (iii) the Out of Pocket Loss.
- D. For each share of FCA common stock purchased or otherwise acquired during the Class Period and still held as of the close of trading on October 24, 2016 (i.e., the last day of the 90-day look-back period), the Recognized Loss Amount shall be *the lesser of*:
 - (i) the dollar amount of alleged artificial inflation applicable to each such share on the date of purchase/acquisition as set forth in **Table 1** below; or
 - (ii) the purchase/acquisition price of each such share (excluding all fees, taxes, and commissions) *minus* \$6.57 (the average closing price of FCA common stock during the 90-day look-back period (i.e., July 27, 2016 through October 24, 2016), as shown on the last line in **Table 2** below).

ADDITIONAL PROVISIONS

5. The Net Settlement Fund will be allocated among all Authorized Claimants whose Distribution Amount (defined in ¶10 below) is \$10.00 or greater.

⁵ Given that the allegedly corrective disclosure on July 18, 2016 occurred during trading hours, for purposes of this Plan of Allocation, the Claims Administrator will assume that any shares of FCA common stock purchased/acquired or sold on July 18, 2016 for a price less than \$6.75 per share occurred *after* the corrective information was released to the market, and any shares of FCA common stock purchased/acquired or sold on July 18, 2016 for a price equal to or greater than \$6.75 per share occurred *prior* to the release of the corrective information.

6. If a Settlement Class Member has more than one purchase/acquisition or sale of FCA common stock on a U.S. Exchange during the Class Period, all purchases/acquisitions and sales shall be matched on a FIFO basis. Class Period sales will be matched first against any holdings at the beginning of the Class Period, and then against purchases/acquisitions in chronological order, beginning with the earliest purchase/acquisition made during the Class Period.

7. Purchases/acquisitions and sales of FCA common stock shall be deemed to have occurred on the “contract” or “trade” date as opposed to the “settlement” or “payment” date. The receipt or grant by gift, inheritance, or operation of law of FCA common stock during the Class Period, shall not be deemed a purchase, acquisition, or sale of these shares of FCA common stock for the calculation of an Authorized Claimant’s Recognized Claim, nor shall the receipt or grant be deemed an assignment of any claim relating to the purchase/acquisition of such shares of FCA common stock unless (i) the donor or decedent purchased or otherwise acquired such shares of FCA common stock during the Class Period; (ii) no Claim Form was submitted by or on behalf of the donor, on behalf of the decedent, or by anyone else with respect to such shares of FCA common stock; and (iii) it is specifically so provided in the instrument of gift or assignment.

8. The date of covering a “short sale” is deemed to be the date of purchase or acquisition of the FCA common stock. The date of a “short sale” is deemed to be the date of sale of FCA common stock. In accordance with the Plan of Allocation, however, the Recognized Loss Amount on “short sales” is zero. In the event that a Claimant has an opening short position in FCA common stock, the earliest purchases or acquisitions during the Class Period shall be matched against such opening short position and not be entitled to a recovery until that short position is fully covered.

9. FCA common stock purchased or acquired on a U.S. Exchange is the only security eligible for recovery under the Plan of Allocation. FCA common stock purchased or acquired on foreign exchanges is not eligible to participate in the Settlement. Option contracts to purchase or sell FCA common stock also are not securities eligible to participate in the Settlement. With respect to FCA common stock purchased or sold on a U.S. Exchange through the exercise of an option, the purchase/sale date of the FCA common stock is the exercise date of the option and the purchase/sale price is the exercise price of the option. Any Recognized Loss Amount arising from purchases of FCA common stock acquired during the Class Period through the exercise of an option on FCA common stock⁶ shall be computed as provided for other purchases of FCA common stock in the Plan of Allocation.

10. The Net Settlement Fund will be distributed to Authorized Claimants on a *pro rata* basis based on the relative size of their Recognized Claims. Specifically, a “Distribution Amount” will be calculated for each Authorized Claimant, which will be the Authorized Claimant’s Recognized Claim divided by the total Recognized Claims of all Authorized Claimants, multiplied by the total amount in the Net Settlement Fund. If any Authorized Claimant’s Distribution Amount calculates to less than \$10.00, it will not be included in the calculation and no distribution will be made to that Authorized Claimant.

⁶ This includes (1) purchases of FCA common stock as the result of the exercise of a call option, and (2) purchases of FCA common stock by the seller of a put option as a result of the buyer of such put option exercising that put option.

11. After the initial distribution of the Net Settlement Fund, the Claims Administrator will make reasonable and diligent efforts to have Authorized Claimants cash their distribution checks. To the extent any monies remain in the Net Settlement Fund by reason of uncashed checks, or otherwise, nine (9) months after the initial distribution, if Lead Counsel, in consultation with the Claims Administrator, determine that it is cost-effective to do so, the Claims Administrator will conduct a re-distribution of the funds remaining after payment of any unpaid fees and expenses incurred in administering the Settlement, including for such re-distribution, to Authorized Claimants who have cashed their initial distributions and who would receive at least \$10.00 from such re-distribution. Additional re-distributions may occur thereafter if Lead Counsel, in consultation with the Claims Administrator, determine that additional re-distributions, after deduction of any additional fees and expenses incurred in administering the Settlement, including for such re-distributions, would be cost-effective. At such time as it is determined that the re-distribution of funds remaining in the Net Settlement Fund is not cost-effective, the remaining balance shall be contributed to non-sectarian, not-for-profit organization(s), to be recommended by Lead Counsel and approved by the Court.

12. Payment pursuant to the Plan of Allocation, or such other plan of allocation as may be approved by the Court, shall be conclusive against all Authorized Claimants. No person shall have any claim against Lead Plaintiffs, Lead Counsel, Lead Plaintiffs' damages expert, Defendants, Defendants' Counsel, any of the other Plaintiffs' Releasees or Defendants' Releasees, the Claims Administrator, or other agent designated by Lead Counsel arising from distributions made substantially in accordance with the Stipulation, the Plan of Allocation approved by the Court, or further orders of the Court. Lead Plaintiffs, Defendants, and their respective counsel, and all other Defendants' Releasees, shall have no responsibility or liability whatsoever for the investment or distribution of the Settlement Fund or the Net Settlement Fund; the Plan of Allocation; the determination, administration, calculation, or payment of any Claim Form or nonperformance of the Claims Administrator; the payment or withholding of Taxes or Tax Expenses; or any losses incurred in connection therewith.

From	To	Estimated Alleged Artificial Inflation Per Share
11/3/2014	1/13/2016	\$0.98
1/14/2016	7/18/2016 (prior to the release of the corrective information) ⁷	\$0.70
7/18/2016 (after the release of the corrective information) ⁸	7/18/2016	\$0.64
7/19/2016	7/26/2016	\$0.55

Sale Date	90-Day Look-back Value	Sale Date	90-Day Look-back Value
7/27/2016	\$6.70	9/12/2016	\$6.75
7/28/2016	\$6.54	9/13/2016	\$6.74
7/29/2016	\$6.50	9/14/2016	\$6.73
8/1/2016	\$6.46	9/15/2016	\$6.72
8/2/2016	\$6.38	9/16/2016	\$6.71
8/3/2016	\$6.42	9/19/2016	\$6.71
8/4/2016	\$6.43	9/20/2016	\$6.70
8/5/2016	\$6.47	9/21/2016	\$6.69
8/8/2016	\$6.51	9/22/2016	\$6.69
8/9/2016	\$6.54	9/23/2016	\$6.68
8/10/2016	\$6.57	9/26/2016	\$6.67
8/11/2016	\$6.60	9/27/2016	\$6.66
8/12/2016	\$6.62	9/28/2016	\$6.65

⁷ As noted in footnote 5 above, for purposes of the Plan of Allocation, the Claims Administrator will assume that any shares of FCA common stock purchased/acquired or sold on July 18, 2016 for a price *equal to or greater than \$6.75* per share occurred *prior* to the release of the corrective information.

⁸ As noted in footnote 5 above, for purposes of the Plan of Allocation, the Claims Administrator will assume that any share of FCA common stock purchased/acquired or sold on July 18, 2016 for a price *less than \$6.75* per share occurred *after* the corrective information was released to the market.

TABLE 2
FCA common stock 90-Day Look-back Value by Sale/Disposition Date

Sale Date	90-Day Look-back Value	Sale Date	90-Day Look-back Value
8/15/2016	\$6.65	9/29/2016	\$6.64
8/16/2016	\$6.66	9/30/2016	\$6.63
8/17/2016	\$6.67	10/3/2016	\$6.63
8/18/2016	\$6.68	10/4/2016	\$6.62
8/19/2016	\$6.68	10/5/2016	\$6.62
8/22/2016	\$6.68	10/6/2016	\$6.62
8/23/2016	\$6.69	10/7/2016	\$6.62
8/24/2016	\$6.70	10/10/2016	\$6.62
8/25/2016	\$6.71	10/11/2016	\$6.61
8/26/2016	\$6.71	10/12/2016	\$6.61
8/29/2016	\$6.72	10/13/2016	\$6.60
8/30/2016	\$6.73	10/14/2016	\$6.60
8/31/2016	\$6.73	10/17/2016	\$6.59
9/1/2016	\$6.74	10/18/2016	\$6.59
9/2/2016	\$6.74	10/19/2016	\$6.58
9/6/2016	\$6.74	10/20/2016	\$6.58
9/7/2016	\$6.75	10/21/2016	\$6.57
9/8/2016	\$6.75	10/24/2016	\$6.57
9/9/2016	\$6.75		