

## BASE PROSPECTUS



FIAT CHRYSLER AUTOMOBILES

### **Fiat Chrysler Automobiles N.V.**

(Incorporated as a public limited liability company (*naamloze vennootschap*) under the laws of the Netherlands and registered with the Dutch chamber of commerce (*Kamer van Koophandel*) under number 60372958)

*as Issuer and as Guarantor, in respect of Notes issued by  
Fiat Chrysler Finance Europe société en nom collectif  
and*

### **Fiat Chrysler Finance Europe**

*société en nom collectif*

*(previously known as Fiat Chrysler Finance Europe, a public limited liability company (société anonyme))*

(Existing as a general partnership under the laws of the Grand-Duchy of Luxembourg, having its registered office at 412F, Route d'Esch, L-2086 Luxembourg, Grand Duchy of Luxembourg and registered with Luxembourg Register of Commerce and Companies

*(Registre de Commerce et des Sociétés de Luxembourg) under number B-59500 and, as the context requires, acting through its UK branch (the "Branch"))*

**€20,000,000,000**

### **Euro Medium Term Note Programme**

Under the €20,000,000,000 Euro Medium Term Note Programme (the "Programme") described in this base prospectus (the "Base Prospectus"), Fiat Chrysler Automobiles N.V., a public limited liability company (*naamloze vennootschap*) incorporated under the laws of the Netherlands (the "Company" or "FCA N.V.") and Fiat Chrysler Finance Europe *société en nom collectif* (previously known as Fiat Chrysler Finance Europe, a public limited liability company (*société anonyme*)) (and, as the context requires, the Branch, together "FCFE") (each an "Issuer" and together, the "Issuers") may from time to time issue notes (the "Notes") denominated in any currency agreed between the relevant Issuer and the relevant Dealer (as defined below). The payments of all amounts due in respect of Notes issued by FCFE (the "Guaranteed Notes") will be unconditionally and irrevocably guaranteed by FCA N.V. (in such capacity, the "Guarantor").

FCFE has a right of substitution as set out in Condition 15(a) (*Substitution – Substitution of FCFE by FCA*) and Condition 15(c) (*Substitution – Substitution as Issuer of a Treasury Subsidiary by another Treasury Subsidiary*). FCFE may at any time, without the consent of the Noteholders or the Couponholders, substitute for itself as principal debtor under the Notes and the Coupons either FCA N.V. as Issuer or any of FCA N.V.'s Treasury Subsidiaries (as defined below). FCA N.V. has a right of substitution as set out in Condition 15(b) (*Substitution – Substitution of FCA by a Treasury Subsidiary*). FCA N.V. may, at any time, without the consent of the Noteholders or the Couponholders, substitute for itself as principal debtor under the Notes and Coupons any of its Treasury Subsidiaries provided that FCA N.V. shall guarantee the obligations of such Treasury Subsidiary. The relevant Treasury Subsidiary (failing which, FCA N.V.) shall indemnify each Noteholder and Couponholder against any adverse tax consequences of such a substitution. For further details regarding these rights of substitution, see Condition 15 (*Substitution*).

An investment in Notes issued under the Programme involves certain risks. **For a discussion of these risks, see "Risk Factors" herein.**

The Base Prospectus has been approved as a base prospectus by the Central Bank of Ireland (the "Central Bank"), as competent authority under Regulation (EU) 2017/1129 (the "Prospectus Regulation"). The Central Bank only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Approval by the Central Bank of Ireland should not be considered as an endorsement of the relevant Issuer or the Guarantor or the quality of the Notes. Investors should make their own assessment as to the suitability of investing in the Notes. Such approval relates only to the Notes which are to be admitted to trading on a regulated market for the purposes of Directive 2014/65/EU (as amended, "MiFID II") and/or which are to be offered to the public in any member state of the European Economic Area or in the United Kingdom (each, a "Relevant State"). Application has been made to the Irish Stock Exchange plc trading as Euronext Dublin ("Euronext Dublin") for the Notes issued under the Programme during the period of 12 months from the date of this Base Prospectus to be admitted to the official list (the "Official List") and trading on its regulated market. References in the Base Prospectus to Euronext Dublin (and all related references) shall mean the regulated market of Euronext Dublin. In addition, references in the Base Prospectus to the Notes being "listed" (and all related references) shall mean that such Notes have been admitted to listing on the Official List of Euronext Dublin and admitted to trading on its regulated market or, as the case may be, a MiFID Regulated Market (as defined below). The regulated market of Euronext Dublin is a regulated market for the purposes of MiFID II, (each such regulated market being a "MiFID Regulated Market"). This document may be used to list Notes on the regulated market of Euronext Dublin pursuant to the Programme. The Programme provides for Notes to be listed on such other or further stock exchange(s) as may be agreed between the relevant Issuer, the Guarantor and the relevant Dealer. Each Issuer may also issue unlisted Notes. The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed €20,000,000,000 (or its equivalent in other currencies, subject to increase as provided herein). The Notes will be issued in such denominations (each a "Specified Denomination") as may be agreed between the relevant Issuer and the relevant Dealer and as specified in the applicable Final Terms, save that the minimum denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant specified currency indicated in the applicable Final Terms (as defined below) (the "Specified Currency") and save that the minimum denomination of each Note admitted to trading on a regulated market situated or operating within a Relevant State and/or offered to the public in a Relevant State in circumstances which require the publication of a prospectus under the Prospectus Regulation will be €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms and conditions not contained herein which are applicable to each Tranche (as defined under "*Terms and Conditions of the Notes*") of Notes will be set out in final terms (the "Final Terms") which, with respect to Notes to be listed on Euronext Dublin, will be delivered to the Central Bank on or before the date of issue of the Notes of such Tranche. Copies of the Final Terms relating to Notes which are listed on Euronext Dublin will be available free of charge, at the registered office of each Issuer, at the principal executive offices of the Guarantor and at the specified office of each of the Paying Agents (as defined under "*Terms and Conditions of the Notes*"), as well as on FCA's website at [www.fcagroup.com](http://www.fcagroup.com). FCA's website and its content (except for any documents available at the links mentioned herein to the extent incorporated by reference herein) do not form part of the Base Prospectus.

The Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of the Base Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuers, the Guarantor and the Dealers do not represent that the Base Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, the Notes and any Guarantee thereof, have not been and will not be registered under the U.S. Securities Act of 1933 (as amended, the "Securities Act") and are subject to United States tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States, or to or for the account or benefit of, U.S. persons.

Amounts payable under Floating Rate Notes may be calculated by reference to LIBOR, EURIBOR or CNH HIBOR as specified in the relevant Final Terms. As at the date of this Base Prospectus, (i) the administrators of LIBOR and EURIBOR, ICE Benchmark Administration Limited and European Money Market Institute, respectively, 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) (the "Benchmarks Regulation"), and (ii) the administrator of CNH HIBOR does not appear on such register.

As far as each Issuer is aware, the transitional provisions in Article 51 of the Benchmarks Regulation apply, such that the European Money Markets Institute (as administrator of EURIBOR) and Treasury Markets Association (as administrator of CNH HIBOR) are not currently required to obtain authorisation or registration (or, if located outside the European Union and United Kingdom, recognition, endorsement or equivalence).

This Base Prospectus (as supplemented as at the relevant time, if applicable) is valid for 12 months from its date in relation to Notes which are to be admitted to trading on a regulated market in the EEA. For these purposes, references to the EEA include the United Kingdom. The obligation to supplement this Base Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Base Prospectus is no longer valid.

**Arranger**  
**UBS Investment Bank**  
**Dealers**

**Banca IMI**  
**Barclays**  
**BNP PARIBAS**  
**Bradesco BBI**  
**Commerzbank**  
**Deutsche Bank**  
**ING**  
**Mediobanca**  
**Natixis**  
**RBC Capital Markets**  
**Société Générale Corporate & Investment Banking**  
**UBS Investment Bank**

**BBVA**  
**BB Securities**  
**BofA Securities**  
**Citigroup**  
**Crédit Agricole CIB**  
**Goldman Sachs International**  
**J.P. Morgan**  
**Morgan Stanley**  
**NatWest Markets**  
**Santander Corporate & Investment Banking**  
**UBI Banca**  
**UniCredit Bank**

The date of the Base Prospectus is March 27, 2020

The Base Prospectus is a base prospectus for the purposes of Article 8 of the Prospectus Regulation in relation to each Issuer.

FCA N.V., in its capacity as an Issuer, accepts responsibility for the information contained in this document, with the exception of any information in respect of FCFE. To the best of the knowledge of FCA N.V., the information contained in this document in respect of which it accepts responsibility is in accordance with the facts and does not omit anything likely to affect the importance of such information.

FCA N.V., in its capacity as a Guarantor, accepts responsibility only for the information contained in this document relating to itself and to the Guarantee (as defined under “*Terms and Conditions of the Notes*”). To the best of the knowledge of the Guarantor, the information contained in those parts of this document relating to itself and to the Guarantee is in accordance with the facts and does not omit anything likely to affect the importance of such information.

FCFE accepts responsibility for the information contained in this document, with the exception of any information in respect of FCA N.V. when FCA N.V. is acting as an Issuer. To the best of the knowledge of FCFE, the information contained in this document in respect of which it accepts responsibility is in accordance with the facts and does not omit anything likely to affect the importance of such information.

The Notes and any Guarantee thereof have not been and will not be registered under the Securities Act or the securities law of any U.S. state or other jurisdiction of the United States, and may not be offered, sold or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. persons (as defined in Regulation S under the Securities Act (“*Regulation S*”)), unless the Notes are registered under the Securities Act or are sold pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act or such state securities laws. The Notes may be offered and sold outside the United States to non-U.S. persons in reliance on Regulation S. See “*Form of the Notes*” for a description of the manner in which the Notes will be issued.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to United States persons, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 (the “*Code*”) and the Treasury regulations promulgated thereunder.

Copies of the Final Terms will be available at the registered office of each Issuer, at the principal executive offices of the Guarantor (as applicable) and the specified office set out below of each of the Paying Agents.

Each of the Issuers and the Guarantor has confirmed to the Dealers that the statements contained in the Base Prospectus (including all documents that are incorporated by reference herein — see “*Documents Incorporated by Reference*”) relating (in the case of each Issuer) to such Issuer and (in the case of the Guarantor) to the Guarantor and the Guarantee are in every material respect true and accurate and not misleading; any opinions, predictions or intentions expressed in the Base Prospectus on the part of any Issuer or the Guarantor (as the case may be) are honestly held or made and are not misleading in any material respect; the Base Prospectus does not omit to state any material fact necessary to make such information, opinions, predictions or intentions (in such context) not misleading in any material respect; and all proper enquiries have been made to ascertain and to verify the foregoing.

The data related to market shares or ranks in particular markets that is included in the section entitled “*The FCA Group*” beginning on page 89 hereof has been extracted from a variety of official, non-official and internal sources believed by each Issuer and the Guarantor to be reliable, including: *IHS Markit and Ward’s Automotive* (North America), IHS Markit, National Organisation of Automotive Vehicles Distribution and Association of Automotive Producers (LATAM), IHS Markit and China Association of Automobile Manufacturers (APAC), European Automobile Manufacturers Association (ACEA) Registration Databases and national Registration Offices’ databases (EMEA). Each Issuer and the Guarantor confirms that such third-party information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Other than in relation to the documents which are deemed to be incorporated by reference (see “*Documents Incorporated by Reference*”), the information on the websites to which this Base Prospectus refers does not form part of this Base Prospectus and has not been scrutinised or approved by the Central Bank of Ireland.

The Notes may be issued on a continuing basis to one or more of the Dealers specified under “*Overview of the Programme*” and any additional Dealer appointed under the Programme from time to time by the Issuers (each a “*Dealer*” and together the “*Dealers*”), which appointment may be for a specific issue or on an on-going basis.

References in the Base Prospectus to the “relevant Dealer” shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to purchase such Notes. References in the Base Prospectus to the “relevant Issuer” shall, in relation to an issue of Notes, be to the issuer of such Notes.

The Base Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see “*Documents Incorporated by Reference*” below). The Base Prospectus shall be read and construed on the basis that such documents are incorporated and form part of the Base Prospectus.

The Dealers have not independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealers as to the accuracy or completeness of the information contained or incorporated by reference in the Base Prospectus or any other information provided by any Issuer or the Guarantor in connection with the Programme.

No Dealer accepts any liability in relation to the information contained or incorporated by reference in the Base Prospectus or any other information provided by any Issuer or the Guarantor in connection with the Programme.

Neither the Dealers nor any of their respective affiliates have authorised the whole or any part of this Base Prospectus and none of them accepts any responsibility for any acts or omissions of either Issuer or the Guarantor or any other person in connection with any issue and offering of the Notes under the Programme.

No person is or has been authorised by any Issuer or by the Guarantor to give any information or to make any representation not contained in or not consistent with the Base Prospectus or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by any Issuer, the Guarantor or any of the Dealers.

Neither the Base Prospectus nor any other information supplied in connection with the Programme or any Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by any Issuer, the Guarantor or any of the Dealers that any recipient of the Base Prospectus, or of any other information supplied in connection with the Programme or any Notes, should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the relevant Issuer and/or the Guarantor. In the absence of Final Terms, neither the Base Prospectus, nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of any of the Issuers, the Guarantor or any of the Dealers to any person to subscribe for or to purchase any Notes.

Neither the delivery of the Base Prospectus, nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning the Issuers and/or the Guarantor is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers expressly do not undertake to review the financial condition or affairs of the Issuers or the Guarantor during the life of the Programme or to advise any investor in the Notes of any information coming to their attention. Investors should review, *inter alia*, the most recently published audited annual financial statements and, if published later, the most recently published interim financial statements (if any) of the relevant Issuer and Guarantor when deciding whether or not to purchase any Notes.

The Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of the Base Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuers, the Guarantor and the Dealers do not represent that the Base Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering.

In particular, no action has, to date, been taken by any Issuer, the Guarantor or the Dealers which would permit a public offering of any Notes or distribution of this Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither the Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with all applicable laws and regulations. Persons into whose possession the Base Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Base Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of the Base Prospectus and the offer or sale of Notes in the United States, Canada, Japan, Hong Kong, Singapore, the PRC (as defined below), the United Kingdom and

the European Economic Area, including Belgium, Italy and the Netherlands. In particular, the Notes have not been and will not be registered under the Securities Act and are subject to United States tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons. See “*Subscription and Sale*”.

In making an investment decision, investors must rely on their own examination of the relevant Issuer and the Guarantor and the terms of the Notes being offered, including the merits and risks involved.

None of the Dealers, the Issuers or the Guarantor makes any representation to any investor in the Notes regarding the legality of its investment under any applicable laws.

Series (as defined under “*Terms and Conditions of the Notes*”) of Notes issued under the Programme may be rated or unrated. Where a Series of Notes is rated, such rating will not necessarily be the same as the rating assigned to the Programme. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency. The rating of certain Series of Notes to be issued under the Programme may be specified in the applicable Final Terms. Whether or not each credit rating applied for in relation to a relevant Series of Notes will be issued by a credit rating agency established in the European Union and registered under Regulation (EC) No. 1060/2009/EC (as amended, the “CRA Regulation”), will be disclosed in the Final Terms. In general, and subject to and in accordance with the provisions of the CRA Regulation, European regulated investors are restricted from using a credit rating for regulatory purposes if such credit rating is not issued by a credit rating agency established in the European Union and registered under the CRA Regulation.

#### **NOTICE TO POTENTIAL INVESTORS IN THE UNITED KINGDOM**

This communication is only being distributed to and is only directed at (i) persons who are outside the United Kingdom (“UK”) or (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Order”) or (iii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as “relevant persons”). The Notes are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such Notes will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

#### **IMPORTANT – PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS**

If the Final Terms in respect of any Notes include a legend entitled “Prohibition of Sales to EEA and UK 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”) or in the UK. 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 MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “Insurance Distribution Directive”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.

#### **MiFID II PRODUCT GOVERNANCE / TARGET MARKET**

The Final Terms in respect of any Notes will 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.

### **SINGAPORE SFA PRODUCT CLASSIFICATION**

In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the “SFA”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “CMP Regulations 2018”), unless otherwise specified before an offer of Notes, each of the Issuers has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are ‘prescribed capital markets products’ (as defined in the CMP 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).

## PRESENTATION OF FINANCIAL AND OTHER INFORMATION

### Certain Defined Terms

In this Base Prospectus, unless otherwise specified, the terms the “Group”, the “FCA Group”, the “Company” and “FCA” refer to Fiat Chrysler Automobiles N.V., together with its subsidiaries and its predecessor prior to the completion of the merger (the “Merger”) of Fiat S.p.A. with and into Fiat Investments N.V. on October 12, 2014 (at which time Fiat Investments N.V. was renamed Fiat Chrysler Automobiles N.V., or FCA N.V.), or any one or more of them, as the context may require. References to “FCA N.V.” refer solely to Fiat Chrysler Automobiles N.V., while references to “Fiat” refer solely to the Fiat brand and “Fiat S.p.A.” refer to Fiat S.p.A., the predecessor of FCA N.V. prior to the Merger. References to “FCA US” refer to FCA US LLC, together with its direct and indirect subsidiaries.

- (a) references to “mass-market vehicle segments” are to the activities of the Group relating to the “mass-market vehicle brands” passenger cars, light commercial vehicles and related parts and services (including Fiat, Fiat Professional, Abarth, Alfa Romeo, Lancia, Chrysler, Jeep, Dodge, Ram and Mopar brands) grouped in four regional mass-market vehicle operating segments: North America, LATAM, APAC and EMEA;
- (b) references to (i) “North America” means the United States, Canada, Mexico and the Caribbean islands, (ii) “LATAM” means Central and South America, (iii) “APAC” means Asia and Pacific countries, and (iv) “EMEA” means the United Kingdom and Europe (which includes the 27 members of the European Union and the members of the European Free Trade Association), the Middle East and Africa;
- (c) references to “Maserati” are to the activities of the Group relating to the design, engineering, development, manufacturing, worldwide distribution and sale of luxury vehicles under the Maserati brand;
- (d) references to minivans, also known as multi-purpose vehicles, typically have seating for up to eight passengers. Passenger cars include sedans, station wagons and three- and five-door hatchbacks, that may range in size from “micro” or “A segment” vehicles of less than 3.7 metres in length to “large” or “F segment” cars that are greater than 5.1 metres in length; and
- (e) references to “all-new” are to vehicles that are characterised as “all-new” if its vehicle platform is significantly different from the platform used in the prior model year and/or has had a full exterior renewal.

### Presentation of Financial Information

#### *General*

The financial information as of and for the years ended December 31, 2019 and 2018 included in this Base Prospectus under “*Financial Information Relating to the FCA Group*” has been extracted from the audited annual consolidated financial statements of the FCA Group as of and for the years ended December 31, 2019 and 2018.

The audited annual consolidated financial statements of the FCA Group as of and for the years ended December 31, 2019 and 2018 (the “Consolidated Financial Statements”) are prepared in accordance with the International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”), as well as IFRS as adopted by the European Union. There is no effect on the Consolidated Financial Statements resulting from the differences between IFRS as issued by the IASB and IFRS as adopted by the European Union. The designation “IFRS” includes International Accounting Standards (“IAS”) as well as all interpretations of the IFRS Interpretations Committee (“IFRIC”). The Consolidated Financial Statements are incorporated by reference herein, as described under “*Documents Incorporated by Reference*”.

As of the date of this Base Prospectus, the Group’s activities are carried out through five reportable segments:

- North America: the Group’s operations to support distribution and sale of mass-market vehicles in the United States, Canada, Mexico and Caribbean islands, primarily under the Jeep, Ram, Dodge, Chrysler, Fiat, Alfa Romeo and Abarth brands.
- LATAM: the Group’s operations to support the distribution and sale of mass-market vehicles in South and Central America, primarily under the Fiat, Jeep, Dodge and Ram brands, with the largest focus of its business in Brazil and Argentina.

- APAC: the Group’s operations to support the distribution and sale of mass-market vehicles in the Asia Pacific region (mostly in China, Japan, India, Australia and South Korea) carried out in the region through both subsidiaries and joint ventures, primarily under the Jeep, Fiat, Alfa Romeo, Abarth, Fiat Professional, Ram and Chrysler brands.
- EMEA: the Group’s operations to support the distribution and sale of mass-market vehicles in Europe (which includes the 27 members of the European Union, the UK and the members of the European Free Trade Association), the Middle East and Africa, primarily under the Fiat, Fiat Professional, Jeep, Alfa Romeo, Lancia, Abarth, Ram and Dodge brands.
- Maserati: the design, engineering, development, manufacturing, worldwide distribution and sale of luxury vehicles under the Maserati brand.

The audited annual statutory financial statements of FCA N.V. as of and for the years ended December 31, 2019 and 2018 (the “Company Standalone Financial Statements”) represent the separate financial statements of FCA N.V. and have been prepared in accordance with the legal requirements of Title 9, Book 2 of the Dutch Civil Code. Section 362(8), Book 2 of the Dutch Civil Code allows companies that apply IFRS as adopted by the European Union in their consolidated financial statements to use the same measurement principles in their Company Standalone Financial Statements. The accounting policies are described in the section headed “*Significant accounting policies*” of the Consolidated Financial Statements incorporated by reference herein. However, as allowed by applicable law, investments in subsidiaries, joint ventures and associates are accounted for using the net equity value in the Company Standalone Financial Statements.

Potential investors must take into account that the Guaranteed Notes will be guaranteed only by FCA N.V. and that FCA US and its subsidiaries will not be a guarantor under any Notes issued by FCA N.V. or FCFE, the Guaranteed Notes or the Guarantee. Similarly, neither FCA US nor any subsidiary of FCA US will have any other obligation under any Note issued or to be issued by FCA N.V. or by any company of the Group.

All references in the Base Prospectus to “U.S. dollars”, “U.S.\$” and “\$” refer to the currency of the United States of America, references to “Sterling” and “£” refer to the currency of the United Kingdom, references to “CNY”, “RMB” and “Renminbi” refer to the lawful currency of the PRC (as defined below), and references to “euro” and “€” refer to the currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty on the Functioning of the European Union, as amended.

In this Base Prospectus, references to the “PRC” refer to the People’s Republic of China which, for the purposes of this Base Prospectus, shall exclude the Hong Kong Special Administrative Region of the PRC (“Hong Kong”), the Macau Special Administrative Region of the PRC (“Macau”) and Taiwan.

In this Base Prospectus references to “CNY Notes” refer to Notes denominated in CNY or Renminbi deliverable in Hong Kong.

In this Base Prospectus references to “CMU Notes” refer to Notes denominated in any lawful currency which the Central Moneymarkets Unit Service (the “CMU Service”) operated by the Hong Kong Monetary Authority (the “HKMA”) accepts for settlement from time to time that are, or are intended to be, cleared through the CMU Service.

The language of the Base Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

Certain totals in the tables included in this Base Prospectus may not add due to rounding.

### ***Non-GAAP Financial Measures***

The Group monitors its operations through the use of several non-generally accepted accounting principles (“non-GAAP”) financial measures: Adjusted Earnings Before Interest and Taxes (“Adjusted EBIT”), Adjusted net profit, Adjusted diluted earnings per share (“Adjusted diluted EPS”), Industrial free cash flows and certain information provided on a constant exchange rate (“CER”) basis. The Group believes that these non-GAAP financial measures provide useful and relevant information regarding its operating results and enhance the overall ability to assess its financial performance. They provide the Group with comparable measures which facilitate management’s ability to identify operational trends, as well as make decisions regarding future spending, resource allocations and other operational decisions. These and similar measures are widely used in the industry in which the Group operates, however, these financial measures may not be comparable to other



similarly titled measures of other companies and are not intended to be substitutes for measures of financial performance as prepared in accordance with IFRS as issued by the IASB as well as IFRS adopted by the European Union.

### *Adjusted EBIT*

Adjusted EBIT excludes certain adjustments from Net profit from continuing operations including gains/(losses) on the disposal of investments, restructuring, impairments, asset write-offs and unusual income/(expenses) that are considered rare or discrete events that are infrequent in nature, and also excludes Net financial expenses and Tax expense/(benefit).

Adjusted EBIT is used for internal reporting to assess performance and as part of the Group's forecasting, budgeting and decision making processes as it provides additional transparency to the Group's core operations. The Group believes this non-GAAP measure is useful because it excludes items that it does not believe are indicative of its ongoing operating performance and allows management to view operating trends, perform analytical comparisons and benchmark performance between periods and among the Group's segments. The Group also believes that Adjusted EBIT is useful for analysts and investors to understand how management assesses the Group's ongoing operating performance on a consistent basis. In addition, Adjusted EBIT is one of the metrics used in the determination of the annual performance bonus and the achievement of certain performance objectives established under the terms of the 2019-2021 equity incentive plan for the Chief Executive Officer of the Group and other eligible employees, including members of the Group Executive Council ("GEC").

The following table summarises the reconciliation of Net profit from continuing operations, which is the most directly comparable measure included in the Group's Consolidated Income Statement, to Adjusted EBIT.

(€ million)	Years ended December 31,	
	2019	2018
<b>Net profit from continuing operations</b>	€ 2,700	€ 3,330
Tax expense	1,321	778
Net financial expenses	1,005	1,056
Adjustments:		
Impairment expense and supplier obligations	1,542	353
Restructuring costs, net of reversals	154	103
Gains on disposal of investments	(15)	-
Brazilian indirect tax - reversal of liability/recognition of credits	(164)	(72)
Charge for U.S. diesel emissions matters	-	748
China inventory impairment	-	129
Costs for recall, net of recovery - airbag inflators	-	114
U.S. special bonus payment	-	111
Employee benefits settlement losses	-	92
Port of Savona (Italy) flood and fire	-	43
(Recovery of)/costs for recall - contested with supplier	-	(50)
North America capacity realignment	-	(60)
Other	125	63
Total Adjustments	1,642	1,574
<b>Adjusted EBIT</b>	€ 6,668	€ 6,738

### *Adjusted Net Profit*

Adjusted net profit is calculated as Net profit from continuing operations excluding post-tax impacts of the same items excluded from Adjusted EBIT, as well as financial income/(expenses) and tax income/(expenses) considered rare or discrete events that are infrequent in nature.

The Group believes this non-GAAP measure is useful because it also excludes items that it does not believe are indicative of the Group's ongoing operating performance and provides investors with a more meaningful comparison of its ongoing operating performance. In addition, Adjusted net profit is one of the metrics used in the determination of the annual performance bonus and the achievement of certain performance objectives established under the terms of the 2014-2018 equity

incentive plan for the Chief Executive Officer of the Group and other eligible employees, including members of the Group Executive Council.

The following table summarises the reconciliation of Net profit from continuing operations, which is the most directly comparable measure included in the Group's Consolidated Income Statement, to Adjusted net profit:

(€ million)	Years ended December 31,	
	2019	2018
<b>Net profit from continuing operations</b>	€ 2,700	€ 3,330
Adjustments (as above)	1,642	1,574
Tax impact on adjustments	(122 )	(125)
Net derecognition of deferred tax assets and other tax adjustments	77	—
Impact of U.S. tax reform	—	(72)
Total adjustments, net of taxes	1,597	1,377
<b>Adjusted net profit</b>	<b>€ 4,297</b>	<b>€ 4,707</b>

#### *Adjusted diluted EPS*

Adjusted diluted EPS is calculated by adjusting Diluted earnings per share from continuing operations for the impact per share of the same items excluded from Adjusted net profit.

The Group believes this non-GAAP measure is useful because it also excludes items that the Group does not believe are indicative of the Group's ongoing operating performance and provides investors with a more meaningful comparison of the Group's ongoing quality of earnings.

The following table summarises the reconciliation of Diluted earnings per share from continuing operations, which is the most directly comparable measure in the Consolidated Financial Statements, to Adjusted earnings per share:

(€ per share except otherwise noted)	Years ended December 31,	
	2019	2018
<b>Diluted earnings per share from continuing operations</b>	€ 1.71	€ 2.12
Impact of adjustments above, net of taxes, on Diluted earnings per share from continuing operations	1.02	0.88
<b>Adjusted diluted earnings per share</b>	<b>2.73</b>	<b>3.00</b>
Weighted average number of shares outstanding for Diluted earnings per share from continuing operations (thousand)	1,570,850	1,567,839

#### *Industrial Free Cash Flows*

Industrial free cash flows is the Group's key cash flow metric, and is calculated as Cash flows from operating activities less: cash flows from operating activities from discontinued operations; cash flows from operating activities related to financial services net of eliminations; investments in property, plant and equipment and intangible assets for industrial activities; adjusted for net intercompany payments between continuing operations and discontinued operations; and adjusted for discretionary pension contributions in excess of those required by the pension plans, net of tax. The timing of Industrial free cash flows may be affected by the timing of monetisation of receivables and the payment of accounts payable, as well as changes in other components of working capital, which can vary from period to period due to, among other things, cash management initiatives and other factors, some of which may be outside of the Group's control.

The following table provides a reconciliation of Cash flows from operating activities; the most directly comparable measure included in the Group's Consolidated Statement of Cash Flows to Industrial free cash flows for the years ended December 31, 2019 and December 31, 2018.

(€ million)	Years ended December 31,	
	2019	2018
<b>Cash flows from operating activities (including discontinued operations)</b>	€ 10,462	€ 9,948
Less: cash flows from operating activities – discontinued operations	(308)	484
<b>Cash flows from operating activities – continuing operations</b>	<b>10,770</b>	<b>9,464</b>
Less: operating activities not attributable to industrial activities	74	59
Less: capital expenditures for industrial activities	8,383	5,389
Add: net intercompany payments between continuing and discontinued operations	(200)	(46)
Add back: discretionary pension contribution, net of tax	-	478
<b>Industrial free cash flows</b>	<b>€ 2,113</b>	<b>€ 4,448</b>

### *Constant Currency Information*

Information about the Group's results is included at constant exchange rates, which is calculated by applying the prior-year average exchange rates to translate current financial data expressed in local currency in which the relevant financial statements are denominated (see Note 2, *Basis of preparation*, within the Consolidated Financial Statements incorporated by reference herein for the exchange rates applied). The Group believes that results excluding the effect of currency fluctuations provide additional useful information to investors regarding the operating performance and trends in its business on a local currency basis.

### **CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS**

The Base Prospectus contains certain forward-looking statements relating to the FCA Group and its activities that do not represent statements of fact but are rather based on current expectations and projections of the FCA Group in relation to future events, and which, by their nature, are subject to inherent risks and uncertainties. Earnings estimates and projections are based on specific knowledge of the sector, publicly available data, and past experience. Underlying the projections are assumptions concerning future events and trends that are subject to uncertainty and whose actual occurrence or non-occurrence could result in significant variations from the projected results. These forward-looking statements relate to events and depend on circumstances that may or may not occur or exist in the future, and, as such, undue reliance should not be placed on them. Although each Issuer and the Guarantor believes that the expectations, estimates and projections reflected in its forward-looking statements are reasonable as of the date of this Base Prospectus, actual results may differ materially from those expressed in such statements as a result of a variety of factors, including, without limitation: the Group's ability to launch products successfully and to maintain vehicle shipment volumes; changes in the global financial markets, general economic environment and changes in demand for automotive products, which is subject to cyclicalities; changes in local economic and political conditions, changes in trade policy and the imposition of global and regional tariffs or tariffs targeted to the automotive industry, the enactment of tax reforms or other changes in tax laws and regulations; the Group's ability to expand certain of the Group's brands globally; the Group's ability to offer innovative, attractive products; the Group's ability to develop, manufacture and sell vehicles with advanced features, including enhanced electrification, connectivity and automated-driving characteristics; various types of claims, lawsuits, governmental investigations and other contingencies affecting the Group, including product liability and warranty claims and environmental claims, investigations and lawsuits; material operating expenditures in relation to compliance with environmental, health and safety regulations; the intense level of competition in the automotive industry, which may increase due to consolidation; the Group's ability to complete and realise expected synergies following completion of the Group's proposed merger with Peugeot S.A., including the expected cumulative implementation costs; exposure to shortfalls in the funding of the Group's defined benefit pension plans; the Group's ability to provide or arrange for access to adequate financing for its dealers and retail customers, and associated risks related to the establishment and operations of financial services companies, including capital required to be deployed to financial services; the Group's ability to access funding to execute its business plan and improve its business, financial condition and results of operations; a significant malfunction, disruption or security breach compromising the Group's information technology systems or the electronic control systems contained in the Group's vehicles; the Group's ability to realise anticipated benefits from joint venture arrangements in certain emerging markets; the Group's ability to successfully implement and execute strategic initiatives and transactions, including its plans to separate certain businesses; disruptions arising from political, social and economic instability; the impact of COVID-19 developments including the impact on supply chains, the Group's production, demand in the Group's end markets, as well as the broader impact on financial markets and the global economy; risks associated with the Group's relationships with employees, dealers and suppliers; increases in costs, disruptions of supply or shortages of raw materials; developments in labour and industrial relations, including any work stoppages, and developments in applicable labour laws; exchange rate fluctuations, interest rate changes, credit risk and other

market risks; political and civil unrest; earthquakes or other disasters; and other factors discussed elsewhere in this Base Prospectus, some of which are referred to in this Base Prospectus, and most of which are outside of the control of the Issuers, the Guarantor and/or the Group.

Any forward-looking statements contained in this Base Prospectus speak only as at the date of this Base Prospectus. Without prejudice to any requirements under applicable laws and regulations, each Issuer and the Guarantor expressly disclaims any obligation or undertaking to disseminate after the date of this Base Prospectus any updates or revisions to any forward-looking statements contained herein to reflect any change in expectations or any change in events, conditions or circumstances on which any such forward-looking statements are based.

#### **STABILISATION**

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the “Stabilising Manager(s)” (or persons acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher 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 Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.

## TABLE OF CONTENTS

	<u>Page</u>
OVERVIEW OF THE PROGRAMME.....	2
RISK FACTORS .....	7
DOCUMENTS INCORPORATED BY REFERENCE.....	30
FORM OF THE NOTES .....	33
APPLICABLE FINAL TERMS .....	36
PART A – CONTRACTUAL TERMS .....	36
PART B – OTHER INFORMATION .....	44
TERMS AND CONDITIONS OF THE NOTES .....	48
USE OF PROCEEDS .....	85
REMITTANCE OF RENMINBI INTO AND OUTSIDE THE PRC.....	86
FIAT CHRYSLER FINANCE EUROPE.....	87
THE FCA GROUP .....	89
FIAT CHRYSLER AUTOMOBILES N.V. ....	108
FINANCIAL INFORMATION RELATING TO FCA N.V. ....	115
FINANCIAL INFORMATION RELATING TO THE FCA GROUP .....	117
TAXATION.....	121
SUBSCRIPTION AND SALE .....	136
GENERAL INFORMATION.....	142

## OVERVIEW OF THE PROGRAMME

*This general description must be read as an introduction to the Base Prospectus and any decision to invest in any Notes should be based on a consideration of the Base Prospectus as a whole, including the documents incorporated by reference therein. The following general description does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms. The relevant Issuer, the Guarantor (where applicable) and any relevant Dealer may agree that Notes shall be issued in a form other than that contemplated in the Terms and Conditions, in which event, in the case of listed Notes only and if appropriate, a Base Prospectus supplement will be published.*

This general description constitutes a general description of the Programme for the purposes of Article 25 of the Commission Delegated Regulation (EU) 2019/980 (the “**Delegated Regulation**”).

Words and expressions defined in “*Form of the Notes*” and “*Terms and Conditions of the Notes*” shall have the same meanings in this general description.

Issuers: Fiat Chrysler Automobiles N.V.  
Fiat Chrysler Finance Europe *société en nom collectif*, UK Branch

Legal Entity Identifier (LEI):

FCA: 549300LKT9PW7ZIBDF31

FCFE: 549300WNB3BQ4638PG80

Guarantor, in respect of  
Guaranteed Notes: Fiat Chrysler Automobiles N.V.

Risk Factors: There are certain factors that may affect the ability of each of the Issuers to fulfil its obligations under Notes issued under the Programme. These are set out under “*Risk Factors*” below. There are also certain factors that may affect the Guarantor’s ability to fulfil its obligations under the Guarantee, where applicable. These are also set out under “*Risk Factors*” below. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme. These are set out under “*Risk Factors*” and include the fact that the Notes may not be a suitable investment for all investors, certain risks relating to the structure of particular Series of Notes and certain market risks.

Description: Euro Medium Term Note Programme

Arranger: UBS AG London Branch

Dealers: Banca IMI S.p.A.  
Banco Bilbao Vizcaya Argentaria, S.A.  
Banco Santander, S.A.  
Barclays Bank Ireland PLC  
Barclays Bank PLC  
BB Securities Limited  
BNP Paribas  
BofA Securities Europe SA  
Bradesco BBI S.A.  
Citigroup Global Markets Europe AG  
Citigroup Global Markets Limited  
Commerzbank Aktiengesellschaft  
Crédit Agricole Corporate and Investment Bank  
Deutsche Bank AG, London Branch  
Goldman Sachs International  
ING Bank N.V.  
J.P. Morgan Securities plc  
Mediobanca-Banca di Credito Finanziario S.p.A.

Merrill Lynch International  
Morgan Stanley & Co. International plc  
Natixis  
NatWest Markets N.V.  
NatWest Markets Plc  
RBC Europe Limited  
Société Générale  
UBS AG London Branch  
UniCredit Bank AG  
Unione di Banche Italiane S.p.A.

and any other Dealers appointed in accordance with the Programme Agreement (as defined in “*Subscription and Sale*”).

Certain Restrictions:	Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see “ <i>Subscription and Sale</i> ”) including the following restriction applicable at the date of the Base Prospectus:  Notes issued on terms such that they must be redeemed before their first anniversary will, if the proceeds of the issue are accepted in the United Kingdom, constitute deposits for purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent (see “ <i>Subscription and Sale</i> ”).
Issuing and Principal Paying Agent:	Citibank, N.A., London Branch.
CMU Lodging and Paying Agent:	Citicorp International Limited.
Programme Size:	Up to €20,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement) outstanding at any time. The Issuers and the Guarantor may increase the amount of the Programme in accordance with the terms of the Programme Agreement.
Distribution:	Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.
Currencies:	Subject to any applicable legal or regulatory restrictions, any currency agreed between the relevant Issuer and the relevant Dealer.
Maturities:	Such maturities as may be agreed between the relevant Issuer and the relevant Dealer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Issuer or the relevant Specified Currency.
Issue Price:	Notes may be issued only on a fully-paid basis and at an issue price which is at par or at a discount to, or premium over, par.
Form of Notes:	The Notes will be issued in bearer form as described in “ <i>Form of the Notes</i> ”.
Clearing Systems:	With respect to Notes (other than CMU Notes), Clearstream and/or Euroclear and any additional or alternative clearing system specified in the applicable Final Terms. With respect to CMU Notes, the CMU Service operated by the HKMA.
Fixed Rate Notes:	Fixed interest will be payable on such date or dates as may be agreed between the relevant Issuer and the relevant Dealer and on redemption and will be

calculated on the basis of such Day Count Fraction (as defined in the “*Terms and Conditions of the Notes*”) as may be agreed between the relevant Issuer and the relevant Dealer.

Floating Rate Notes:	<p>Floating Rate Notes will bear interest at a rate determined:</p> <ul style="list-style-type: none"><li>(i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2000 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series); or</li><li>(ii) on the basis of the reference rate set out in the applicable Final Terms.</li></ul> <p>The margin (if any) relating to such floating rate will be agreed between the relevant Issuer and the relevant Dealer for each Series of Floating Rate Notes.</p>
Other provisions in relation to Floating Rate Notes:	<p>Floating Rate Notes may have a maximum interest rate, a minimum interest rate or both.</p> <p>Interest on Floating Rate Notes in respect of each Interest Period, as agreed prior to issue by the relevant Issuer and the relevant Dealer, will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, as may be agreed between the relevant Issuer and the relevant Dealer.</p>
Benchmark Event:	<p>If a Benchmark Event occurs in relation to an Original Reference Rate, then the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, with a view to the Independent Adviser determining a Successor Rate, failing which an Alternative Rate and, in either case, an Adjustment Spread, if any, and any Benchmark Amendments. See Condition 4(c) (<i>Interest – Benchmark Event</i>).</p>
Zero Coupon Notes:	<p>Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest.</p>
Redemption:	<p>The applicable Final Terms will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than for taxation reasons as described in Condition 6(b) (<i>Taxation – Redemption for Tax Reasons</i>), or following an Event of Default) or that such Notes will be redeemable at the option of the relevant Issuer and/or the Noteholders (as defined under “<i>Terms and Conditions of the Notes</i>”) upon giving notice to the Noteholders or the 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 other terms as may be agreed between the relevant Issuer and the relevant Dealer.</p> <p>Notes issued on terms such that they must be redeemed before their first anniversary may be subject to restrictions on their denomination and distribution. See “<i>Certain Restrictions</i>” above.</p>
Denomination of Notes:	<p>Notes will be issued in such denominations as may be agreed between the relevant Issuer and the relevant Dealer, save that the minimum denomination of each Note will be such as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency and save that the minimum denomination of each Note admitted to trading on a regulated market within the EEA will be €100,000 (or, if the Notes are denominated in a currency other than Euro, the equivalent amount in such currency).</p>
Taxation:	<p>All payments in respect of the Notes will be made without deduction for or on account of withholding taxes imposed by any Relevant Tax Jurisdiction, subject to Condition 7 (<i>Taxation</i>). In the event that any such deduction is made, the relevant Issuer or the Guarantor (with respect to the Guaranteed Notes) will,</p>



save in certain limited circumstances provided in Condition 7 (*Taxation*), be required to pay additional amounts to cover the amounts so deducted.

Change of Control:	If a Change of Control occurs, except in certain circumstances, the relevant Issuer will be required to offer to repurchase the Notes at a purchase price equal to 101 percent of their aggregate principal amount, plus accrued and unpaid interest, if any, to the date of purchase.
Negative Pledge:	The terms of the Notes will contain a negative pledge provision as further described in Condition 3 ( <i>Negative Pledge</i> ).
Cross Default:	The terms of the Notes will contain a cross default provision as further described in Condition 9 ( <i>Events of Default</i> ).
Status of the Notes:	The Notes and any related Coupons are direct, unconditional, unsubordinated and (subject to the provisions of Condition 3 ( <i>Negative Pledge</i> )) unsecured obligations of the relevant Issuer and (subject as aforesaid) rank and will rank <i>pari passu</i> without any preference among themselves, with all other present and future outstanding unsubordinated and unsecured obligations of the relevant Issuer (subject to mandatorily preferred obligations under applicable laws).
Guarantee:	The payment of principal and interest in respect of the Guaranteed Notes and any related Coupons has been irrevocably and unconditionally guaranteed by the Guarantor pursuant to the Guarantee. The obligations of the Guarantor under the Guarantee constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 3 ( <i>Negative Pledge</i> )) unsecured obligations of the Guarantor and (subject as aforesaid) rank and will rank <i>pari passu</i> (subject to mandatorily preferred obligations under applicable laws) with all other present and future outstanding unsecured and unsubordinated obligations of the Guarantor.
Listing and admission to trading:	<p>Application has been made to Euronext Dublin for the Notes issued under the Programme during the period of 12 months from the date of this Base Prospectus to be admitted to the Official List and to trading on its regulated market.</p> <p>Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the Issuer and the relevant Dealer in relation to the Series. Notes which are neither listed nor admitted to trading on any market may also be issued.</p> <p>The applicable Final Terms will state whether or not the relevant Notes are to be listed or admitted to trading and, if so, on which stock exchange(s).</p>
Governing Law:	The Notes and any non-contractual obligations arising out of or in connection with the Notes will be governed by, and shall be construed in accordance with, English law.
Selling Restrictions:	<p>There are restrictions on the offer, sale and transfer of the Notes in the United States, Canada, Japan, Hong Kong, Singapore, the PRC, Switzerland, the United Kingdom and the EEA (including the Netherlands, Italy and Belgium, for which there are specific restrictions additional to the EEA restrictions) and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes. In particular, the Notes and any Guarantee thereof have not been and will not be registered under the Securities Act and are subject to United States tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States, or to or for the account or benefit of, U.S. persons. See “<i>Subscription and Sale</i>”.</p> <p>The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to United States persons, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S.</p>

Internal Revenue Code of 1986 and the Treasury regulations promulgated thereunder.

## RISK FACTORS

*Each of the Issuers and the Guarantor believes that the following factors may affect its ability to fulfil its obligations under Notes issued under the Programme. Most of these factors are contingencies which may or may not occur and none of the Issuers or the Guarantor is in a position to express a view on the likelihood of any contingency occurring.*

*In addition, factors that are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.*

*Each of the Issuers and the Guarantor believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of any Issuer or the Guarantor to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons which may not be considered significant risks by the Issuers and the Guarantor based on information currently available to them or reasons which they may not currently be able to anticipate and none of the Issuers or the Guarantor represents that the statements below regarding the risks of holding any Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in the Base Prospectus and reach their own views prior to making any investment decision.*

### **Factors that may affect the ability of the Issuers and the Guarantor to fulfil their obligations under the Notes**

***If the Group's vehicle shipment volumes deteriorate, particularly shipments of the Group's pickup trucks and larger sport utility vehicles ("SUVs") in the U.S. retail market, the Group's results of operations and financial condition will suffer.***

As is typical for an automotive manufacturer, the Group has significant fixed costs primarily due to its significant investment in product development, property, plant and equipment and the requirements of its collective bargaining agreements and other applicable labour relations regulations. As a result, changes in vehicle shipment volumes can have a disproportionately large effect on the Group's profitability.

Further, the Group's profitability in North America, a region which contributed a majority of the Group's profit in each of the last three years, is particularly dependent on demand for the Group's pickup trucks and larger SUVs. For example, the Group's pickup trucks and larger SUVs have historically been more profitable than other vehicles and accounted for approximately 71 percent of its total U.S. retail vehicle shipments in 2019. A shift in consumer demand away from these vehicles within the North America region, and towards compact and mid-size passenger cars, whether in response to higher fuel prices or other factors, could adversely affect the Group's profitability.

The Group's dependence within the North America region on pickup trucks and larger SUVs remained high in 2019 as the Group continued implementation of the Group's plan to reallocate more production capacity to these vehicle types after the Group ceased production in the region of compact and mid-size passenger cars in 2016. The Group's dependence on these vehicles is expected to continue given the focus of the Group's business on pickup trucks and SUVs in the North America region.

Moreover, the Group tends to operate with negative working capital as it generally receives payment for vehicles within a few days of shipment, whereas there is a lag between the time when parts and materials are received from suppliers and when the Group pays for such parts and materials; therefore, in periods in which the Group's vehicle shipments decline materially the Group will suffer a significant negative impact on cash flow and liquidity as it continues to pay suppliers for components purchased in a high volume environment during a period in which it receives lower proceeds from vehicle shipments. If vehicle shipments decline, or if they were to fall short of the Group's assumptions, due to recessionary conditions, changes in consumer confidence, geopolitical events, inability to produce sufficient quantities of certain vehicles, limited access to financing or other factors, such decline or shortfall could have a material adverse effect on the Group's business, financial condition and results of operations.

***The Group's businesses may be adversely affected by global financial markets, general economic conditions, pandemics, changes to and enforcement of government incentive programmes as well as other macro developments over which the Group has little or no control.***

The Group's results of operations and financial position may be influenced by various macroeconomic factors within the various countries in which the Group operates including changes in gross domestic product, the level of consumer and business confidence, changes in interest rates for or availability of consumer and business credit, the rate of unemployment and foreign currency exchange rates.

In addition to slow economic growth or recession, other economic circumstances, such as increases in energy prices, fuel prices and fluctuations in prices of raw materials (including as a result of tariffs) or contractions in infrastructure spending, could have negative consequences for the industry in which the Group operates and, together with the other conditions discussed above, could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group has operations in a number of emerging markets, including Turkey, China, Brazil, Argentina, India and Russia. The Group is particularly susceptible to risks relating to local political conditions, import and/or export restrictions (including the imposition of tariffs on raw materials that the Group procures and on vehicles that the Group sells), and compliance with local laws and regulations in these markets.

In Brazil, the Group has historically received and continues to receive certain tax benefits and other government grants, which have favourably affected the results of the Group's operations, and were recently extended through 2025. Expiration of these tax benefits and government grants without their renewal or any change in the amount of such tax benefits or government grants could have a material adverse effect on the Group's business, financial conditions and results of operations.

The Group is also susceptible to risks relating to epidemics and pandemics of diseases. The current outbreak of COVID-19, a virus causing potentially deadly respiratory tract infections, is spreading worldwide and governments in affected countries are imposing travel bans, quarantines and other emergency public safety measures. In light of the rapid spread of the illness within Italy, the Italian government has imposed restrictions on travel and the movement and gathering of people in the country, as well as restrictions on commercial activity, and other countries are adopting similar measures. As of the date hereof, most dealers have temporarily closed in Italy, France and Spain. These measures, though expected to be temporary, may intensify depending on developments in the outbreak. In addition to disrupting supply chains globally, these measures have had a significant and immediate effect on demand for the Group's vehicles and ability to ship to and invoice dealers. In order to respond to the interruption of market demand by ensuring optimisation of supply, effective March 16, 2020, the Group has temporarily suspended production across the majority of its European manufacturing plants. Furthermore, on March 18, 2020 the Group announced that it had agreed to cease production at its plants across North America, starting progressively from that date. In addition to the immediate impact arising from restrictions of commercial activities and supply chain disruptions, the COVID-19 outbreak is likely to negatively affect economic conditions regionally as well as globally and the affected automobile markets are expected to experience significantly reduced demand. The ultimate severity, geographical reach and duration of the COVID-19 outbreak is unknown at this time and therefore the Group cannot predict the extent of the impact it may have on its end markets and operations; however, the effect the Group's business, financial condition and results of operations could be material and adverse.

The Group is also subject to other risks inherent to operating globally. For example, the Group is subject to multiple tax regimes, including regulations relating to transfer pricing and withholding and other taxes on remittances and other payments to or from its subsidiaries. European developments in data and international developments in digital taxation may also negatively affect some of the Group's automated driving and infotainment connected services. Unfavourable developments in any one or a combination of these risk areas (which may vary from country to country) could have a material adverse effect on the Group's business, financial condition and results of operations and on its ability to execute planned strategies.

On June 23, 2016, a majority of voters in a national referendum in the UK voted in favour of the UK leaving ("Brexit") the European Union (the "EU"). The UK left the EU on January 31, 2020 and pursuant to a negotiated withdrawal agreement, there will be an 11-month transition period under which EU rules will continue to apply in the UK. During this period, the UK and the EU will seek to reach an agreement on their future relationship. There can be no assurance that an agreement with regard to future trade and co-operation will be reached prior to the end of the transition period.

Although the Group does not believe Brexit will have a direct material impact on the Group's operations or materially impact its tax expense, the form of Brexit remains uncertain and may result in greater restrictions on imports and exports between the UK and EU countries, a fluctuation in currency exchange rates and additional regulatory complexity as well as further global economic uncertainty, all of which could have a material adverse effect on the Group's business, financial condition and results of operations.

There has been a recent and significant increase in activity and speculation regarding tariffs and duties between the U.S. and its trading partners. The Group manufactures a significant percentage of its vehicles outside the U.S. (particularly in Canada, Mexico and Italy) for import into the U.S. The Group also manufactures vehicles in the U.S. that are exported to China. Tariffs or duties implemented between the U.S. and its trading partners could have a material adverse effect on the Group's business, financial condition and results of operations. Tariffs or duties that directly impact the Group's products could reduce consumer demand and/or make the Group's products less profitable. In addition, a continued escalation in tariff or duty activity between

the U.S. and its major trading partners could negatively impact global economic activity, which could in turn reduce demand for the Group's products.

***The Group may be unsuccessful in efforts to increase the growth of some of the Group's brands that it believes have global appeal and reach, which could have material adverse effects on its business.***

The volume growth and margin expansion strategies reflected in the Group's business plan include the renewal of key products, the launch of white-space products, the implementation of various electrified powertrain applications and partnerships relating to the development of autonomous driving technologies. The Group has experienced challenges in expanding the product range and global sales of certain brands, in particular, Alfa Romeo. As a result, the Group has rationalised its product plans, which resulted in the recognition of impairment charges in the third quarter of 2019.

These strategies have required and will continue to require significant investments in products, powertrains, production facilities and distribution networks. If the Group is unable to achieve its volume growth and margin expansion goals, it may be unable to earn a sufficient return on these investments which could have a material adverse effect on the Group's business, financial condition and results of operations.

***The Group's future performance depends on its ability to offer innovative, attractive products.***

The Group's success depends on, among other things, its ability to develop innovative, high-quality products that are attractive to consumers and provide adequate profitability.

The Group may not be able to effectively compete with other automakers with regard to electrification, autonomous driving, mobility and other emerging trends in the industry. In certain cases, the technologies that the Group plans to employ are not yet commercially practical and depend on significant future technological advances by it, its partners and by suppliers. There can be no assurance that these advances will occur in a timely or feasible manner, that the funds the Group have budgeted or expended for these purposes will be adequate, or that the Group will be able to obtain rights to use these technologies. Further, the Group's competitors and others are pursuing similar technologies and other competing technologies, and there can be no assurance that they will not acquire and implement similar or superior technologies sooner than the Group will or on an exclusive basis or at a significant cost advantage.

In addition, as a result of the extended product development cycle and inherent difficulty in predicting consumer acceptance, a vehicle that the Group believes will be attractive may not generate sales in sufficient quantities and at high enough prices to be profitable. It generally takes two years or more to design and develop a new vehicle, and a number of factors may lengthen that schedule. For example, if the Group determines that a safety or emissions defect, a mechanical defect or a non-compliance with regulation exists with respect to a vehicle model prior to retail launch, the launch of such vehicle could be delayed until the Group can remedy the defect or non-compliance. Various elements may also contribute to consumers' acceptance of new vehicle designs, including competitors' product introductions, fuel prices, general economic conditions and changes in styling preferences. In addition, there can be no assurance that vehicles the Group develops in order to comply with government regulations, particularly those related to fuel efficiency, greenhouse gas and tailpipe emissions standards, will be attractive to consumers or will generate sales in sufficient quantities and at high enough prices to be profitable.

If the Group fails to develop products that contain desirable technologies and are attractive to and accepted by consumers, the residual value of the Group's vehicles could be negatively impacted. In addition, the increasing pace of inclusion of new innovations and technologies in the Group's and the Group's competitors' vehicles could also negatively impact the residual value of the Group's vehicles. A deterioration in residual value could increase the cost that consumers pay to lease the Group's vehicles or increase the amount of subvention payments that the Group makes to support its leasing programmes.

The failure to develop and offer innovative, attractive and relevant products on a timely basis could have a material adverse effect on the business, financial condition and results of operations of the Group.

***The Group's success largely depends on the ability of its management team to operate and manage effectively.***

The Group's success largely depends on the ability of its senior executives and other members of management to effectively manage the Group and individual areas of the business. The Group's management team is critical to the execution of the Group's strategic direction and implementation of its business plan.

The Group has developed succession plans that it believes are appropriate, although it is difficult to predict with any certainty that it will be able to replace these individuals with persons of equivalent experience and capabilities. If the Group is unable to find adequate replacements or to attract, retain and incentivise senior executives, other key employees or new qualified personnel, such inability could have a material adverse effect on its business, financial condition and results of operations.

***Labour laws and collective bargaining agreements with the Group's labour unions could impact the Group's ability to increase the efficiency of its operations, and it may be subject to work stoppages in the event that it is unable to agree on collective bargaining agreement terms or have other disagreements.***

Unlike businesses operating in different industries and/or in different geographical regions, substantially all of the Group's production employees are represented by trade unions, are covered by collective bargaining agreements and/or are protected by applicable labour relations regulations that may restrict the Group's ability to modify operations and reduce personnel costs quickly in response to changes in market conditions and demand for the Group's products. These and other provisions in the Group's collective bargaining agreements may impede the Group's ability to restructure its business successfully to compete more effectively, especially with those automakers whose employees are not represented by trade unions or are subject to less stringent regulations, which could have a material adverse effect on the Group's business, financial condition and results of operations. In addition, the Group may be subject to work stoppages in the event that the Group and the Group's labour unions are unable to agree on collective bargaining agreement terms or have other disagreements. Any such work stoppage could have a material adverse effect on the Group's business, financial condition and results of operations.

***If the Group fails to accurately forecast demand for its vehicles, its profitability may be affected.***

The Group has taken steps to improve efficiency in its manufacturing, supply chain and logistics processes. This includes producing certain vehicle models with specified features based on forecasted dealer orders, which the Group believes will allow it to more efficiently and cost effectively manage its supply chain. This practice may result in higher finished goods inventory in certain periods when the Group anticipates increased dealer orders. Further, while the Group is confident that its analytical tools should enable it to align production with dealer orders, if dealer orders do not meet the Group's forecasts, the Group's profitability on these vehicles may be affected.

***Product recalls and warranty obligations may result in direct costs, and any resulting loss of vehicle sales could have material adverse effects on the Group's business.***

The Group and the U.S. automotive industry in general, have experienced a sustained increase in recall activity to address performance, compliance or safety-related issues. For example, in November 2019, the Group voluntarily recalled more than 700,000 SUVs worldwide due to problems with an electrical connection that could result in a vehicle stall. The Group's costs to recall vehicles have been significant and typically include the cost of replacement parts and labour to remove and replace parts. These costs substantially depend on the nature of the remedy and the number of vehicles affected, and may arise many years after a vehicle's sale. Product recalls may also harm the Group's reputation, force it to halt the sale of certain vehicles and may cause consumers to question the safety or reliability of its products. Given the intense regulatory activity across the automotive industry, ongoing compliance costs are expected to remain high.

Any costs incurred, or lost vehicle sales, resulting from product recalls could materially adversely affect the Group's financial condition and results of operations. Moreover, if the Group faces consumer complaints, or receives information from vehicle rating services that calls into question the safety or reliability of one of its vehicles and it does not issue a recall, or if it does not do so on a timely basis, the Group's reputation may also be harmed and it may lose future vehicle sales. The Group is also obligated under the terms of its warranty agreements to make repairs or replace parts in the Group's vehicles at the Group's expense for a specified period of time. Therefore, any failure rate that exceeds the Group's assumptions could have a material adverse effect on its business, financial condition and results of operations.

***The Group's lack of a captive finance company in certain key markets could place it at a competitive disadvantage to other automakers that may be able to offer consumers and dealers financing and leasing on better terms than the Group's consumers and dealers are able to obtain.***

The Group's dealers enter into wholesale financing arrangements to purchase vehicles from the Group to hold in inventory and facilitate retail sales, and retail consumers use a variety of finance and lease programmes to acquire vehicles.

Unlike many of its competitors, the Group does not currently own and operate a controlled finance company dedicated solely to its mass-market vehicle operations in the U.S. and certain key markets in Europe, Asia and South America. Instead it has

elected to partner with specialised financial services providers through joint ventures and commercial agreements with third parties, including third party financial institutions, to provide financing to its dealers and retail consumers. The Group's lack of a controlled finance company in these key markets may increase the risk that its dealers and retail consumers will not have access to sufficient financing on acceptable terms which may adversely affect the Group's vehicle sales in the future. Furthermore, many of the Group's competitors are better able to implement financing programmes designed to maximise vehicle sales in a manner that optimises profitability for them and their finance companies on an aggregate basis. Since the Group's ability to compete depends on access to appropriate sources of financing for dealers and retail consumers, its lack of a controlled finance company in those markets could have a material adverse effect on its business, financial condition and results of operations.

Any financial services provider, including the Group's joint ventures and controlled finance companies, will also face other demands on its capital, including the need or desire to satisfy funding requirements for dealers or consumers of its competitors as well as liquidity issues relating to other investments. Furthermore, they may be subject to regulatory changes that may increase their costs, which may impair their ability to provide competitive financing products to the Group's dealers and retail consumers.

To the extent that a financial services provider is unable or unwilling to provide sufficient financing at competitive rates to the Group's dealers and retail consumers, such dealers and retail consumers may not have sufficient access to financing to purchase or lease the Group's vehicles. As a result, the Group's vehicle sales and market share may suffer, which could have a material adverse effect on its business, financial condition and results of operations.

***A significant security breach compromising the electronic control systems contained in the Group's vehicles could damage the Group's reputation, disrupt its business and adversely impact its ability to compete.***

The Group's vehicles, as well as vehicles manufactured by other original equipment manufacturers ("OEMs"), contain complex systems that control various vehicle processes including engine, transmission, safety, steering, brakes, window and door lock functions. These electronic control systems, which are increasingly connected to external cloud-based systems, are susceptible to cybercrime, including threats of intentional disruption and theft of personal information. These threats are also likely to increase in terms of sophistication and frequency as the level of connectivity and autonomy in the Group's vehicles increases. A significant malfunction, disruption or security breach compromising the electronic control systems contained in the Group's vehicles could damage the Group's reputation, expose it to significant liability and could have a material adverse effect on its business, financial condition and results of operations.

***A significant malfunction, disruption or security breach compromising the operation of the Group's information technology systems could damage the Group's reputation, disrupt its business and adversely impact its ability to compete.***

The Group's ability to keep its business operating effectively depends on the functional and efficient operation of its information, data processing and telecommunications systems, including its vehicle design, manufacturing, inventory tracking and billing and payment systems. In addition, the Group's vehicles are increasingly connected to external cloud-based systems. These systems are regularly the target of threats from third parties. A significant or large-scale malfunction or interruption of any one of the Group's computer or data processing systems, including through the exploitation of a weakness in the Group's systems or the systems of its vendors, could have a material adverse effect on the Group's ability to manage and keep its manufacturing and other operations running effectively, and damage the Group's reputation. A malfunction or security breach that results in a wide or sustained disruption to the Group's business could have a material adverse effect on the business, financial condition and results of operations of the Group.

In addition to supporting its operations, the Group uses its systems to collect and store confidential and sensitive data, including information about the Group's business, consumers and employees. As the Group's technology continues to evolve, the Group anticipates that it will collect and store even more data in the future and that its systems will increasingly use remote communication features that are sensitive to both wilful and unintentional security breaches. Much of the Group's value is derived from its confidential business information, including vehicle design, proprietary technology and trade secrets, and to the extent the confidentiality of such information is compromised, the Group may lose its competitive advantage and its vehicle shipments may suffer. The Group also collects, retains and uses personal information, including data it gathers from consumers for product development and marketing purposes, and data it obtains from employees. In the event of a breach in security that allows third parties access to this personal information, the Group is subject to a variety of ever-changing laws on a global basis that require the Group to provide notification to the data owners, and that subject the Group to lawsuits, fines and other means of regulatory enforcement. For example, the General Data Protection Regulation (Regulation (EU) 2016/679) (the "GDPR") has increased the stringency of European Union data protection requirements and related penalties. Non-

compliance with the GDPR can result in fines of the higher of €20 million or 4 percent of annual worldwide revenue. The requirements of the GDPR have necessitated changes to the Group's existing business practices and systems in order to comply with the GDPR or to address the concerns of the Group's customers or business partners. In addition, the California Consumer Privacy Act of 2018 became effective on January 1, 2020 and provides California residents with new data privacy rights. Several other U.S. states are also considering adopting laws and regulations imposing obligations regarding the handling of personal data. Complying with any new data protection-related regulatory requirements could force the Group to incur substantial expenses or require the Group to change its business practices in a manner that has a material adverse effect on the Group's business, financial condition and results of operations.

The Group's reputation could also suffer in the event of a data breach, which could cause consumers to purchase their vehicles from the Group's competitors. Ultimately, any significant compromise in the integrity of data security could have a material adverse effect on the business, financial condition and results of operations of the Group.

***There can be no assurance that the Group will be able to offset the earnings power lost from the sale of Magneti Marelli.***

On October 22, 2018, the Group announced that it has entered into a definitive agreement with CK Holdings, Co. Ltd., a holding company of Calsonic Kansei Corporation, pursuant to which CK Holdings, Co. Ltd. would acquire the Group's automotive components business, Magneti Marelli. This transaction was completed in the second quarter of 2019 for consideration of €5.8 billion, subject to certain adjustments, and enabled the payment of an extraordinary dividend of €2 billion at closing.

If the improvement in the Group's capital position resulting from the sale of Magneti Marelli is not sufficient to offset the related loss of revenue and earnings, the Group could experience a material adverse effect on the Group's business, financial condition and results of operations.

***The Group's reliance on joint arrangements in certain emerging markets may adversely affect the development of the Group's business in those regions.***

The Group intends to expand its presence in emerging markets, including China and India, through partnerships and joint ventures. For example, GAC Fiat Chrysler Automobiles Co. (the "GAC FCA JV"), the Group's joint venture with Guangzhou Automobile Group Co., Ltd., locally produces the Jeep Cherokee, Jeep Renegade, Jeep Compass, Jeep Grand Commander and Jeep Commander PHEV for the Chinese market, expanding the portfolio of Jeep SUVs currently available to Chinese consumers. The Group also has a joint operation with TATA Motors Limited for the production of some of the Group's vehicles, engines and transmissions in India.

The Group's reliance on joint arrangements to enter or expand its presence in these markets may expose it to risk of conflict with its joint arrangement partners and the need to divert management resources to oversee these arrangements. Further, as these arrangements require cooperation with third party partners, these joint arrangements may not be able to make decisions as quickly as the Group would if it were operating on its own or may take actions that are different from what the Group would do on a standalone basis in light of the need to consider its partners' interests. As a result, the Group may be less able to respond timely to changes in market dynamics, which could have a material adverse effect on its business, financial condition and results of operations.

## **Risks Related to the Industry in which the Group Operates**

***The automotive industry is highly competitive and cyclical and the Group may suffer from those factors more than some of its competitors.***

Substantially all of the Group's revenues are generated in the automotive industry, which is highly competitive, encompassing the production and distribution of passenger cars, light commercial vehicles and components and production systems. The Group faces competition from other international passenger car and light commercial vehicle manufacturers and distributors and components suppliers in Europe, North America, Latin America and the Asia Pacific region. These markets are all highly competitive in terms of product quality, innovation, the introduction of new technologies, pricing, fuel economy, reliability, safety, consumer service and financial services offered, and many of the Group's competitors are also better capitalised than the Group with larger market shares, which may enable them to compete more effectively in these markets.



If the Group's competitors are able to successfully integrate with one another and the Group is not able to adapt effectively to increased competition, the Group's competitors' integration could have a material adverse effect on its business, financial condition and results of operations.

In the automotive business, sales to consumers are cyclical and subject to changes in the general condition of the economy, the readiness of consumers to buy and their ability to obtain financing, as well as the possible introduction of measures by governments to stimulate demand, particularly related to new technologies that the Group has not yet included in the Group's vehicles (for example, technologies related to compliance with evolving emissions regulations). The automotive industry is also subject to the constant renewal of product offerings through frequent launches of new models and the incorporation of new technologies in those models. A negative trend in the automotive industry or the Group's inability to adapt effectively to external market conditions coupled with more limited capital than many of the Group's principal competitors could have a material adverse effect on the Group's business, financial condition and results of operations.

Additionally, global vehicle production capacity exceeds current demand. In the event that industry shipments decrease and overcapacity intensifies, the Group's competitors may attempt to make their vehicles more attractive or less expensive to consumers by adding vehicle enhancements, providing subsidised financing or leasing programmes, or by reducing vehicle prices whether directly or by offering option package discounts, price rebates or other sales incentives in certain markets. Manufacturers in countries that have lower production costs may also choose to export lower-cost automobiles to more established markets. An increase in these actions could have a material adverse effect on the Group's business, financial condition and results of operations.

***Vehicle retail sales depend heavily on affordable interest rates for vehicle financing and a substantial increase in interest rates could adversely affect the Group's business.***

In certain regions, including North America, financing for new vehicle sales has been available at relatively low interest rates for several years due to, among other things, expansive government monetary policies. As interest rates rise, generally market rates for new vehicle financing are expected to rise as well, which may make the Group's vehicles less affordable to retail consumers or steer consumers to less expensive vehicles that tend to be less profitable for it, adversely affecting its financial condition and results of operations. Additionally, if consumer interest rates increase substantially or if financial service providers tighten lending standards or restrict their lending to certain classes of credit, consumers may not desire to or be able to obtain financing to purchase or lease the Group's vehicles. Furthermore, because purchasers of the Group's vehicles may be relatively more sensitive to changes in the availability and adequacy of financing and macroeconomic conditions, the Group's vehicle sales may be disproportionately affected by changes in financing conditions relative to the vehicle sales of its competitors. As a result, a substantial increase in consumer interest rates or tightening of lending standards could have a material adverse effect on the Group's business, financial condition and results of operations.

***The Group faces risks associated with increases in costs, disruptions of supply or shortages of raw materials, parts, components and systems used in its vehicles.***

The Group uses a variety of raw materials in its business including steel, aluminium, lead, resin and copper, and precious metals such as platinum, palladium and rhodium, as well as energy. Also, as the Group begins to implement various electrified powertrain applications throughout its portfolio in accordance with its business plan, the Group will also depend on a significant supply of lithium, nickel and cobalt, which are used in lithium-ion batteries. The prices for these raw materials fluctuate, and market conditions can affect the Group's ability to manage its Cost of revenues. In particular, as production of electric vehicles increases, the Group may face shortages of raw materials and lithium cells and prices may increase. The Group may not be successful in managing its exposure to these risks. Substantial increases in the prices for raw materials would increase the Group's operating costs and could reduce profitability if the increased costs cannot be offset by higher vehicle prices or productivity gains. In particular, certain raw materials are sourced from a limited number of suppliers and from a limited number of countries, particularly those needed in catalytic converters and lithium-ion batteries. From time to time these may be susceptible to supply shortages or disruptions. The Group cannot guarantee that it will be able to maintain arrangements with these suppliers that assure access to these raw materials at reasonable prices.

As with raw materials, the Group is also at risk for price fluctuations, supply disruption and shortages in parts and components for use in its vehicles for many reasons including, but not limited to, supplier disputes, particularly with regard to warranty recovery claims, supplier financial distress, tight credit markets, trade restrictions, tariffs, natural or man-made disasters, epidemics or pandemics of diseases, or production difficulties. With respect to the impact of the current outbreak of COVID-19, see " – *The Group's businesses may be adversely affected by global financial markets, general economic conditions, pandemics, changes to and enforcement of government incentive programmes as well as other macro developments over*

*which it has little or no control.*” Fluctuations in the price of parts and components can affect the Group’s costs and profitability in the manner described above with respect to raw materials. The Group will continue to work with suppliers to monitor potential disruptions and shortages and to mitigate the effects of any emerging shortages on its production volumes and revenues. However, there can be no assurances that these events will not have an adverse effect on its production in the future, and any such effect may be material. Further, there can be no assurance that trade restrictions and tariffs will not be imposed, and if imposed, tariffs and other trade restrictions may make the cost of required raw materials more expensive or delay or limit the Group’s access to these raw materials, each of which could have a material adverse effect on the Group’s business, financial condition and results of operations.

Any interruption in the supply or any increase in the cost of raw materials, parts, components and systems could negatively impact the Group’s ability to achieve its vehicle shipment objectives and profitability. The potential impact of an interruption is particularly high in instances where a part or component is sourced exclusively from a single supplier. Long-term interruptions in supply of raw materials, parts, components and systems may result in a material impact on vehicle production, vehicle shipment objectives, and profitability. Cost increases which cannot be recouped through increases in vehicle prices, or countered by productivity gains, could have a material adverse effect on the Group’s business, financial condition and results of operations. This risk can increase at points of economic uncertainty such as what has been experienced in LATAM as a result of economic deterioration in Argentina.

***The Group is subject to risks associated with exchange rate fluctuations, interest rate changes, and credit risk.***

The Group operates in numerous markets worldwide and is exposed to risks stemming from fluctuations in currency and interest rates. The exposure to currency risk is mainly linked to the differences in geographic distribution of its manufacturing activities and commercial activities, resulting in cash flows from sales being denominated in currencies different from those connected to purchases or production activities. Additionally, a significant portion of the Group’s operating cash flow is generated in U.S. Dollars and, although the Group has significant U.S. Dollar-denominated debt, the majority of its indebtedness is denominated in Euro and Brazilian Real.

The Group uses various forms of financing to cover funding requirements for its industrial activities and for providing financing to its dealers and consumers. Moreover, liquidity for industrial activities is also principally invested in variable-rate or short-term financial instruments. The Group’s financial services businesses normally operate a matching policy to offset the impact of differences in rates of interest on the financed portfolio and related liabilities. Nevertheless, changes in interest rates can affect the Group’s Net revenues, finance costs and margins.

In addition, although the Group manages risks associated with fluctuations in currency and interest rates through financial hedging instruments, fluctuations in currency or interest rates could have a material adverse effect on its business, financial condition and results of operations.

The Group’s financial services activities are also subject to the risk of insolvency of dealers and retail consumers. Despite the Group’s efforts to mitigate such risks through the credit approval policies applied to dealers and retail consumers, there can be no assurances that it will be able to successfully mitigate such risks.

## **Risks Related to the Legal and Regulatory Environment in which the Group Operates**

***Increasingly stringent or new laws, regulations and governmental policies, including those regarding increased fuel efficiency requirements and reduced greenhouse gas and tailpipe emissions, have a significant effect on how the Group does business and may increase its cost of compliance and negatively affect its operations and results.***

As the Group seeks to comply with government regulations, particularly those related to fuel efficiency, vehicle safety and greenhouse gas and tailpipe emissions standards, it must devote significant financial and management resources, as well as vehicle engineering and design attention, to these legal requirements. The Group expects the number and scope of these regulatory requirements, along with the costs associated with compliance, to increase significantly in the future, and these costs could be difficult to pass through to consumers, particularly if the acceptance rate for such vehicles is low. For example, EU regulations governing passenger car and light commercial vehicles (“LCVs”) fleet average CO<sub>2</sub> emissions become significantly more stringent in 2020 and provide for material penalties if targets are exceeded. In addition, the U.S. federal government has challenged the jurisdiction of U.S. states such as California to impose their own environmental regulatory requirements on the vehicles that the Group sells, resulting in uncertainty regarding the applicability of these regulations. Uncertainty regarding these regulations may increase the Group’s costs of compliance.

***The Group remains subject to diesel emissions investigations by several governmental agencies and to a number of related private lawsuits, as well as other claims and lawsuits which may lead to further enforcement actions, penalties or damage awards and may also adversely affect its reputation with consumers.***

On January 10, 2019, the Group announced that FCA US reached final settlements on civil environmental and consumer claims with the U.S. Environmental Protection Agency (“EPA”), U.S. Department of Justice, the California Air Resources Board, the State of California, 49 other States and U.S. Customs and Border Protection, for which €748 million was accrued during the year ended December 31, 2018. Approximately €350 million of the accrual related to civil penalties to resolve differences over diesel emissions requirements. A portion of the accrual was attributable to settlement of a putative class action on behalf of consumers in connection with which FCA US agreed to pay an average \$2,800 per vehicle for each eligible customer affected by the recall. The Group continues to defend individual claims from approximately 3,200 consumers that have exercised their right to opt out of the class action settlement and pursue their own individual claims against the Group (the “Opt-Out Litigation”). The Group has engaged in further discovery in the Opt-Out Litigation and participated in court-sponsored settlement conferences, but the Group has reached settlement agreements with only a very small number of these remaining plaintiffs.

In the U.S., the Group remains subject to diesel emissions-related investigations by the U.S. Securities and Exchange Commission and the U.S. Department of Justice, Criminal Division. In September 2019, the U.S. Department of Justice filed criminal charges against an employee of FCA US for, among other things, fraud, conspiracy, false statements and violations of the Clean Air Act primarily in connection with efforts to obtain regulatory approval of the vehicles that were the subject of the civil settlements described above. The Group continues to cooperate with these investigations and present FCA’s positions on concerns raised by these governmental authorities. The Group may also engage in discussions in an effort to reach an appropriate resolution of these investigations. The Group is also subject to a number of related private lawsuits.

The Group has also received inquiries from other regulatory authorities in a number of jurisdictions as they examine the on-road tailpipe emissions of several automakers’ vehicles and, when jurisdictionally appropriate, the Group continues to cooperate with these governmental agencies and authorities.

In Europe, the Group has been working with the Italian Ministry of Transport (“MIT”) and the Dutch Vehicle Regulator (“RDW”), the authorities that certified FCA diesel vehicles for sale in the European Union, and the UK Driver and Vehicle Standards Agency in connection with their review of several of its vehicles. The Group also initially responded to inquiries from the German authority, the Kraftfahrt-Bundesamt (“KBA”), regarding emissions test results for the Group’s vehicles, and the Group discussed the KBA reported test results, its emission control calibrations and the features of the vehicles in question. After these initial discussions, the MIT, which has sole authority for regulatory compliance of the vehicles it has certified, asserted its exclusive jurisdiction over the matters raised by the KBA, tested the vehicles, determined that the vehicles complied with applicable European regulations and informed the KBA of its determination. Thereafter, mediations have been held under EC rules, between the MIT and the German Ministry of Transport and Digital Infrastructure, which oversees the KBA, in an effort to resolve their differences. The mediation was concluded with no action being taken with respect to FCA. In May 2017, the EC announced its intention to open an infringement procedure against Italy regarding Italy’s alleged failure to respond to EC’s concerns regarding certain FCA emission control calibrations. The MIT has responded to the EC’s allegations by confirming that the vehicles’ approval process was properly performed.

In December 2019, the MIT notified the Group that the Dutch Ministry of Infrastructure and Water Management (“I&W”) had been communicating with the MIT regarding certain irregularities allegedly found by the RDW and the Dutch Center of Research TNO in the emission levels of certain Jeep Grand Cherokee Euro 5 models and a vehicle model of another OEM that contains a Euro 6 diesel engine supplied by the Group. In January 2020, the Dutch Parliament published a letter from the I&W summarising the conclusions of the RDW regarding those vehicles and engines and indicating an intention to order a recall and report their findings to the Public Prosecutor, the EC and other Member States. The Group is in the process of providing a response to the MIT and engaging with the RDW to present its positions and cooperate to reach an appropriate resolution of this matter. In addition, at the request of the French Consumer Protection Agency, the Juge d’Instruction du Tribunal de Grande Instance of Paris is investigating diesel vehicles of a number of automakers including FCA, regarding whether the sale of those vehicles violated French consumer protection laws.

In December 2018, the Korean Ministry of Environment (“MOE”) announced its determination that approximately 2,400 FCA vehicles imported into Korea during 2015, 2016 and 2017 were not emissions compliant and that the vehicles with a subsequent update of the emission control calibrations voluntarily performed by FCA, although compliant, would have required re-homologation of the vehicles concerned. In May 2019, the MOE revoked certification of the above-referenced vehicles and announced an administrative fine for an amount not material to the Group. The Group has appealed the MOE’s decision. The Group’s subsidiary in Seoul, Korea is also cooperating with local criminal authorities in connection with their

review of this matter and with the Korean Fair Trade Commission regarding a purported breach of the Act on Fair Labeling and Advertisement in connection with the subject vehicles.

The results of the unresolved governmental inquiries and private litigation cannot be predicted at this time and these inquiries and litigation may lead to further enforcement actions, penalties or damage awards, any of which may have a material adverse effect on the Group's business, financial condition and results of operations. It is also possible that these matters and their ultimate resolution may adversely affect the Group's reputation with consumers, which may negatively impact demand for the Group's vehicles and consequently could have a material adverse effect on the Group's business, financial condition and results of operations.

***The Group's business operations and reputation may be impacted by various types of claims, lawsuits, and other contingencies.***

The Group is involved in various disputes, claims, lawsuits, investigations and other legal proceedings relating to several matters, including product liability, warranty, vehicle safety, emissions and fuel economy, product performance, asbestos, personal injury, dealers, suppliers and other contractual relationships, alleged violations of law, environment, securities, labour, antitrust, intellectual property, tax and other matters. The Group estimates such potential claims and contingent liabilities and, where appropriate, record provisions to address these contingent liabilities. The ultimate outcome of the legal proceedings pending against the Group is uncertain, and such proceedings could have a material adverse effect on its financial condition or results of operations. Furthermore, additional facts may come to light or the Group could, in the future, be subject to judgments or enter into settlements of lawsuits and claims that could have a material adverse effect on the Group's business, financial condition and results of operations. While the Group maintains insurance coverage with respect to certain claims, not all claims or potential losses can be covered by insurance, and even if claims could be covered by insurance, the Group may not be able to obtain such insurance on acceptable terms in the future, if at all, and any such insurance may not provide adequate coverage against any such claims. Further, publicity regarding such investigations and lawsuits, whether or not they have merit, may adversely affect the Group's reputation and the perception of the Group's vehicles with retail customers, which may adversely affect demand for the Group's vehicles, and have a material adverse effect on its business, financial condition and results of operations.

For example, in November 2019, General Motors LLC and General Motors Company (collectively, "GM") filed a lawsuit in the U.S. District Court for the Eastern District of Michigan against FCA US, FCA NV and certain individuals, claiming violations of the Racketeer Influenced and Corrupt Organizations (RICO) Act, unfair competition and civil conspiracy in connection with allegations that FCA US paid bribes to UAW officials that corrupted the bargaining process with the UAW and as a result FCA US enjoyed unfair labour costs and operational advantages that caused harm to GM. GM also claimed that FCA US had made concessions to the UAW in collective bargaining that the UAW was then able to extract from GM through pattern bargaining which increased costs to GM in an effort to force a merger between GM and FCA NV. The Group is defending vigorously against this action and it has filed a motion to dismiss all claims.

In addition, the Group and other Brazilian taxpayers have significant disputes with the Brazilian tax authorities regarding the application of Brazilian tax law. The Group believes that it is more likely than not that there will be no significant impact from these disputes. However, given the current economic conditions and uncertainty in Brazil, new tax laws or more significant changes such as tax reform, may be introduced and enacted. Changes to the application of existing tax laws may also occur or the realisation of accumulated tax benefits may be limited, delayed or denied. Any of these events could have a material adverse effect on the Group's business, financial condition and results of operations.

***The Group may not be able to adequately protect its intellectual property rights, which may harm its business.***

The Group's success depends, in part, on its ability to protect its intellectual property rights. If the Group fails to protect its intellectual property rights, others may be able to compete against it using intellectual property that is the same as or similar to its own. In addition, there can be no guarantee that the Group's intellectual property rights are sufficient to provide the Group with a competitive advantage against others who offer products similar to its own. For example, another OEM has been producing a vehicle closely resembling one of the Group's Jeep models for sale in the U.S. The Group has brought proceedings to stop these practices and while the court's initial ruling has been in its favour, the Group cannot be certain of the proceedings' final outcome. More generally, despite the Group's best efforts, it may be unable to prevent third parties from infringing on its intellectual property and using its technology for their competitive advantage. Any such infringement could have a material adverse effect on the Group's business, financial condition and results of operations.

The laws of some countries in which the Group operates do not offer the same protection of its intellectual property rights as do the laws of the U.S. or Europe. In addition, effective intellectual property enforcement may be unavailable or limited in certain countries, making it difficult for the Group to protect its intellectual property from misuse or infringement there. The Group's inability to protect its intellectual property rights in some countries could have a material adverse effect on its business, financial condition and results of operations.

***FCA N.V. is a holding company, which creates structural subordination risks for the holders of the Notes.***

FCA N.V. is organised as a holding company that conducts essentially all of its operations through its subsidiaries and depends primarily on the earnings and cash flows of, and the distribution of funds from, these subsidiaries to meet its debt obligations, including its obligations under the Notes issued by it and its guarantee obligations with respect to the Guaranteed Notes. Generally, creditors of a subsidiary, including trade creditors, secured creditors and creditors holding indebtedness and guarantees issued by the subsidiary, and preferred shareholders, if any, of the subsidiary, will be entitled to the assets of that subsidiary before any of those assets can be distributed to shareholders upon liquidation or winding up. As a result, FCA's obligations under the Notes issued by it and under the Guarantee of the Guaranteed Notes will effectively be subordinated to the prior payment of all the debts and other liabilities, including the right of trade creditors of FCA N.V.'s direct and indirect subsidiaries. FCA N.V.'s subsidiaries have other liabilities, including contingent liabilities, which could be substantial. See also "Risk Factors—Risks Related to the Notes Generally—The Notes do not restrict the amount of debt which the Issuers and the Guarantor may incur".

***The Guarantor's Guarantee of the Notes may be limited by applicable laws or subject to certain procedures that could limit or prevent the Guarantor from making payments under the Guarantee.***

The Guarantee provides the holders of the Guaranteed Notes with a direct claim against the Guarantor. However, the enforcement of the Guarantee against FCA would be subject to certain defences generally available in connection with guarantees. These laws and defences include those that relate to fraudulent conveyance or transfer, bankruptcy claw-back, corporate purpose, conflicts of interest, or similar laws, regulations or defences affecting the rights of creditors generally. In addition, in order for a Guarantee to be enforceable under Dutch law, the Guarantor's directors must determine that the granting of the Guarantee is in the Guarantor's best corporate interest (*vennootschappelijk belang*), that the Guarantor benefits, either directly or indirectly, from the granting of the Guarantee, and that the granting of the Guarantee is contemplated and permitted by the Guarantor's articles of association, including its corporate objectives.

***FCA N.V. currently operates so as to be treated as exclusively resident in the UK for tax purposes, but the relevant tax authorities may treat it as also being tax resident elsewhere.***

FCA N.V. is not a company incorporated in the UK. Therefore, whether it is resident in the UK for tax purposes depends on whether its "central management and control" is located (in whole or in part) in the UK. The test of "central management and control" is largely a question of fact and degree based on all the circumstances, rather than a question of law. Nevertheless, the decisions of the UK courts and the published practice of Her Majesty's Revenue & Customs ("HMRC"), suggest that FCA N.V., a group holding company, is likely to be regarded as having become UK-resident on this basis from incorporation and remaining so if, as FCA N.V. intends, (i) at least half of the meetings of its Board of Directors are held in the UK with a majority of directors present in the UK for those meetings; (ii) at those meetings there are full discussions of, and decisions are made regarding, the key strategic issues affecting FCA N.V. and its subsidiaries; (iii) those meetings are properly minuted; (iv) at least some of FCA N.V.'s directors, together with supporting staff, are based in the UK; and (v) FCA N.V. has permanent staffed office premises in the UK.

Although it has been accepted by HMRC that FCA N.V.'s "central management and control" is in the UK, it would nevertheless not be treated as UK-resident if (a) it were concurrently resident in another jurisdiction (applying the tax residence rules of that jurisdiction) that has a double tax treaty with the UK and (b) there were a tie-breaker provision in that tax treaty which allocated exclusive residence to that other jurisdiction.

FCA N.V.'s residence for Italian tax purposes is largely a question of fact based on all circumstances. FCA N.V. set up and it has thus far maintained, and intends to continue to maintain, FCA N.V.'s management and organisational structure in such a manner that it should not be regarded as an Italian tax resident either for Italian domestic law purposes or for the purposes of the Italy-UK tax treaty and (subject to any future change as set out below in the section "The FCA Group – History of the Group – FCA-PSA Merger" below) should be deemed resident in the UK from its incorporation for the purposes of the Italy-UK tax treaty. Because this analysis is highly factual and may depend on future changes in FCA N.V.'s management and organisational structure, there can be no assurance regarding the final determination of its tax residence. Should FCA N.V. be

treated as an Italian tax resident, it would be subject to taxation in Italy on its worldwide income and may be required to comply with withholding tax and/or reporting obligations provided under Italian tax law, which could result in additional costs and expenses.

Although it has been accepted that FCA N.V.'s "central management and control" is in the UK, FCA N.V. is considered to be resident in the Netherlands for Dutch corporate income tax and Dutch withholding tax purposes on the basis that it is incorporated there. Nonetheless, FCA N.V. can be regarded as solely resident in either the UK or the Netherlands under the Netherlands-UK tax treaty if the UK and Dutch competent authorities agree that this is the case. FCA N.V. has received a ruling from the UK and Dutch competent authorities that it should be treated as resident solely in the UK for the purposes of the treaty. If there is a change over time to the facts upon which this ruling issued by the competent authorities is based, the ruling may be withdrawn or cease to apply.

FCA N.V. does not expect Brexit to affect its tax residency in the UK; however, FCA N.V. is unable to predict with certainty whether the discussions to implement the UK's exit from the EU will ultimately have any impact on this matter.

***There is uncertainty as to the jurisdiction for any insolvency proceedings relating to FCA N.V.***

In the event of an insolvency of FCA N.V. (including in its capacity as Guarantor), the court having jurisdiction to begin insolvency proceedings and the law applicable to those proceedings will be determined in accordance with the provisions of Regulation (EU) 2015/848 of the European Parliament and of the Council of May 20, 2015 on insolvency proceedings (the "Recast EU Insolvency Regulation") and the Dutch Bankruptcy Act (*Faillissementswet*), each as amended from time to time. Pursuant to these provisions, the courts of the place where FCA N.V. has its centre of main interests shall have jurisdiction to initiate insolvency proceedings against it and the law applicable to the insolvency proceedings and their effects will be the law of the place where such proceedings are initiated. Under the Recast EU Insolvency Regulation the centre of main interests should correspond to the place where the debtor conducts the administration of its interests on a regular basis and is therefore ascertainable by third parties. In the case of a company or legal person, the Recast Insolvency Regulation presumes, in the absence of proof to the contrary, that the place of its registered office is the centre of main interests. Based on this presumption a Dutch court will presuppose that it has jurisdiction to open insolvency proceedings against FCA N.V. Notwithstanding this presumption, it is more likely that the centre of main interests of FCA N.V. should be considered to be located in England and that the English courts should be the courts with jurisdiction to open insolvency proceedings against it. In addition, even if the centre of main interests of FCA N.V. were not in England, the English courts could still open insolvency proceedings (named territorial insolvency proceedings) if they consider that FCA N.V. has an establishment within the territory of England, the effects of which would be limited to the assets of FCA N.V. situated in England. Noteholders should be aware that, in accordance with the above, in case of an eventual insolvency of FCA N.V., there is uncertainty as to whether the insolvency proceedings would be opened in the Netherlands or in England.

**Risks Related to the FCA-Peugeot S.A. ("PSA") Merger**

***The merger is subject to receipt of antitrust approvals from several competition authorities and the expiration of the applicable waiting period under the Hart Scott Rodino Act (the "HSR Act"). As a condition to obtaining the required antitrust approvals, the relevant regulatory authorities may impose conditions that could have an adverse effect on the combined company or, if such approvals are not obtained, could prevent the consummation of the merger.***

On December 17, 2019, FCA and PSA entered into a combination agreement (the "combination agreement") providing for a merger of their businesses (the "merger"). Before the merger may be completed, any waiting period (or extension thereof) applicable to the merger must have expired or been terminated, and any competition approvals, consents or clearances required in connection with the merger must have been received, in each case, under the applicable antitrust laws of the EU, under the HSR Act, and under the competition laws of the Federative Republic of Brazil, the Republic of Chile, the United States of Mexico, the People's Republic of China, Japan, the Republic of India, the Republic of South Africa, the People's Democratic Republic of Algeria, the Kingdom of Morocco, Israel, the Swiss Confederation, Ukraine, the Russian Federation, the Republic of Serbia, the Republic of Turkey, and, potentially, the Argentine Republic. The consummation of the merger might be delayed due to the time required to fulfil the requests for information by the relevant regulatory authorities. The terms and conditions of any antitrust approvals, consents and clearances that are ultimately granted may impose conditions, terms, obligations or restrictions on the conduct of the combined company's business.

FCA and PSA are obliged under the combination agreement to take all actions necessary to consummate the merger as soon as reasonably practicable, including the relevant competition approvals and to undertake and comply with such commitments as the regulatory authorities may require as a condition for such competition approvals. As an exception to the foregoing, neither FCA nor PSA is required to or may, without the consent of the other party, undertake or comply with any commitments or take any action: (i) if any such commitment or action, individually or in the aggregate, would, or would reasonably be expected to, result in a substantial detriment to the combined company or (ii) unless any such commitment or action is conditioned upon the consummation of the merger.

Regulatory authorities may impose conditions, and any such conditions may have the effect of delaying the consummation of the merger or imposing additional material costs on, or materially limiting, the revenues of the combined company following the consummation of the merger. In addition, any such conditions may result in the delay or abandonment of the merger. FCA and PSA may each terminate the combination agreement if the merger has not been completed by June 30, 2021, as a result of a failure to obtain the required approvals from the applicable antitrust regulatory authorities.

***Failure to timely complete the merger could negatively affect the Group's business plans and operations and the Company's share price.***

The obligation of FCA and PSA to effect the merger is subject to various closing conditions, some of which are beyond the Group's control and the control of PSA and any of which may prevent, delay or otherwise materially adversely affect the consummation of the merger. The consummation of the merger is conditioned upon, among other conditions: (i) the approval of the merger by FCA's shareholders and by the PSA shareholders; (ii) the approval from the NYSE, the Euronext Paris and the MTA for listing of the combined company's common shares; (iii) the effectiveness of the FCA's registration statement on Form F-4; (iv) the receipt of the required approvals from antitrust authorities; (v) the receipt of any consents necessary to be obtained in order to consummate the merger; (vi) the receipt of ECB clearance; and (vii) the absence of injunctions or restraints from any governmental entity that prohibits or deems illegal the consummation of the merger, but only to the extent that any failure to comply with such prohibition would reasonably be expected to result in a substantial detriment to the combined company. The Group cannot provide any assurance as to when these conditions will be satisfied or waived, if at all, or that other events will not intervene to delay or result in the failure to complete the merger. Any delay in completing the merger could prevent or delay the combined company from realising some or all of the anticipated cost savings, synergies, growth opportunities and other benefits that the Group expects to achieve if the merger is successfully completed within the expected time frame.

If the merger is not completed for any reason, including as a result of FCA's shareholders and PSA's shareholders failing to approve the merger, the Group's business, cash flows, financial condition or results of operations may be materially adversely affected. Without realising any of the anticipated benefits of completing the merger, the Group would be subject to a number of risks, including:

- the Group may experience negative reactions from the financial markets, including an adverse effect on the market value of the Notes;
- the Group may experience negative reactions from its customers, suppliers, regulators and employees and other stakeholders; and
- the Group may be adversely affected by the substantial commitments of time and resources undertaken by the Group's management team in connection with the merger, which would otherwise have been devoted to day-to-day operations and other opportunities that may have been beneficial to the Group's business had the merger not been contemplated.

***The combined company may fail to realise some or all of the anticipated benefits of the merger.***

FCA and PSA currently operate, and up to the closing of the merger will continue to operate, independently as separate companies. The success of the merger will depend, in part, on the combined company's ability to realise the anticipated cost savings, synergies, growth opportunities and other benefits from combining the businesses. The achievement of the anticipated benefits of the merger is subject to a number of uncertainties, including general competitive factors in the marketplace and whether the Group is able to integrate its business with PSA's business in an efficient and effective manner and establish and implement effective operational principles and procedures. Failure to achieve these anticipated benefits could result in increased costs, decreases in the revenues of the combined company and diversion of management's time and energy, and could materially impact the combined company's business, cash flows, financial condition or results of its operations. If the combined company is not able to successfully achieve these objectives, the anticipated cost savings, synergies, growth opportunities and other benefits that the Group expects to achieve as a result of the merger may not be realised fully, or at all, or may take longer than expected to realise.

The combined company will have to devote significant management attention and resources to integrating the business practices and the Group's operations and the operations of PSA. Potential difficulties that the combined company may encounter as part of the integration process include complexities associated with managing the business of the combined company, such as difficulty integrating manufacturing processes, systems and technology, in a seamless manner, as well as integrating the workforces of the two companies. In addition, the integration of the Group's business and PSA's business may result in additional and unforeseen expenses, capital investments and financial risks, such as the incurrence of unexpected write-offs, the possible effect of adverse tax treatments and unanticipated or unknown liabilities relating to PSA or the merger. All of these factors could decrease or delay the expected accretive effect of the merger.

It is possible that the integration process could take longer or be more costly than anticipated or could result in the loss of key employees, the disruption of each company's ongoing businesses or inconsistencies in standards, controls, procedures and policies that adversely affect the ability of the combined company to maintain relationships with suppliers, customers and employees, to achieve the anticipated benefits of the merger or maintain quality standards. An inability to realise the full extent of, or any of, the anticipated benefits of the merger, as well as any delays encountered in the integration process, could have an adverse effect on the combined company's business, cash flows, financial condition or results of operations.

***The announcement and pendency of the merger could adversely affect the Group's business, cash flows, financial condition or results of operations.***

The announcement and pendency of the merger could cause disruptions in and create uncertainty surrounding the Group's business, including with respect to its relationships with existing and future customers, suppliers and employees, which could have an adverse effect on the Group's business, cash flows, financial condition or results of operations, irrespective of whether the merger is completed. The Group's business relationships may be subject to disruption as customers, suppliers and other persons with whom the Group has a business relationship may delay or defer certain business decisions or might decide to seek to terminate, change or renegotiate their relationships with the Group or consider entering into business relationships with parties other than the Group or the combined company. The risk, and adverse effect, of any such disruptions could be exacerbated by a delay in the consummation of the merger.

***The Group will incur significant transaction costs in connection with the merger and, if the merger is consummated, the combined company will incur significant integration costs.***

The Group has incurred, and expects to continue to incur, significant costs in connection with the merger, including the fees of its professional advisors. The Group may also incur unanticipated costs associated with the transaction and the listings on the NYSE, Euronext Paris and the MTA of the combined company's common shares as required in connection with the merger, and these unanticipated costs may have an adverse impact on the results of operations of the combined company following the effectiveness of the merger. In addition, if the merger is consummated, the combined company will incur significant integration costs following the consummation of the merger. The Group cannot provide assurance that the realisation of efficiencies related to the integration of its business with the business of PSA will offset the incremental transaction and integration costs in the near term, if at all.



***Uncertainties associated with the merger may cause a loss of management personnel or other key employees which could adversely affect the future business and operations of the combined company.***

The Group depends on the experience and industry knowledge of its officers and other key employees to execute its business plan. The combined company's success after the consummation of the merger will also depend, in part, upon the ability of the combined company to attract and retain key management personnel and other key employees. Current employees may experience uncertainty about their roles within the combined company following the consummation of the merger, which may have an adverse effect on the Group's ability to retain key management and other key personnel.

***While the merger is pending, the Group is subject to restrictions on its business activities.***

Under the combination agreement, the Group is subject to certain restrictions on the conduct of its business and generally must operate in the ordinary course and consistent with past practice (subject to certain exceptions agreed between FCA and PSA in the combination agreement), which may restrict the Group's ability to carry out certain business strategies. These restrictions may prevent the Group from pursuing otherwise attractive business opportunities, making certain investments or acquisitions, selling assets, engaging in capital expenditures in excess of certain agreed limits, incurring certain indebtedness or making changes to the Group's business prior to the completion of the merger or termination of the combination agreement, as applicable. These restrictions could have an adverse effect on the Group's business, cash flows, financial condition, results of its operations.

***The Group may not have discovered certain liabilities or other matters related to PSA, which may adversely affect the future financial performance of the combined company.***

In the course of the due diligence review that the Group conducted prior to the execution of the combination agreement, the Group may not have discovered, or may have been unable to properly quantify, issues relating to PSA which may lead the combined company to write-down or write-off assets or incur impairment or other charges that could result in losses that may be significant. In addition, even if the due diligence review conducted by the Group successfully identified certain risks, unexpected risks may arise and previously known risks may materialise in a manner not consistent with the Group's preliminary risk analysis. Noteholders would not be compensated for any such losses. In addition, the Group expects that PSA, like FCA and other automakers, will be significantly affected by developments related to the current outbreak of COVID-19. For example, PSA announced on March 16, 2020 that it plans to close temporarily all of its production plants in Europe. For a discussion of COVID-19-related developments and risks see "*Risk Factors -- The Group's businesses may be adversely affected by global financial markets, general economic conditions, pandemics, changes to and enforcement of government incentive programmes as well as other macro developments over which the Group has little or no control*" and "*Recent Developments*".

#### **Risks Related to the Group's Liquidity and Existing Indebtedness**

***Limitations on the Group's liquidity and access to funding, as well as its significant outstanding indebtedness, may limit the Group's financial and operating flexibility and its ability to execute its business strategies, obtain additional funding on competitive terms and improve its financial condition and results of operations.***

The Group's performance depends on, among other things, its ability to finance debt repayment obligations and planned investments from operating cash flow, available liquidity, the renewal or refinancing of existing bank loans and/or facilities and possible access to capital markets or other sources of financing. The Group substantially completed the de-leveraging of its balance sheet in 2018, however the extent of the Group's indebtedness may still have important consequences on its operations and financial results, including:

- the Group may not be able to secure additional funds for working capital, capital expenditures, debt service requirements or general corporate purposes;
- the Group may need to use a portion of its projected future cash flow from operations to pay principal and interest on the Group's indebtedness, which may reduce the amount of funds available to it for other purposes, including product development;
- the Group is generally more financially leveraged than its competitors, which may put it at a competitive disadvantage; and

- the Group may not be able to adjust rapidly to changing market conditions, which may make it more vulnerable to a downturn in general economic conditions or its business.

Although the Group has measures in place that are designed to ensure adequate liquidity levels, its liquidity is subject to significant potential absorption if the Group's vehicle shipments decline materially as the Group operates with negative working capital. In addition, the majority of the Group's credit ratings are below investment grade and any deterioration may significantly affect the Group's funding and prospects.

The Group could, therefore, find itself in the position of having to seek additional financing and/or having to refinance existing debt, including in unfavourable market conditions, with limited availability of funding and a general increase in funding costs. Any limitations on the Group's liquidity, due to a decrease in vehicle shipments, the amount of or restrictions in its existing indebtedness, conditions in the credit markets, general economic conditions or otherwise, may adversely impact its ability to execute its business strategies and impair its financial condition and results of operations. In addition, any actual or perceived limitations of the Group's liquidity may limit the ability or willingness of counterparties, including dealers, consumers, suppliers, lenders and financial service providers, to do business with it, which could have a material adverse effect on its business, financial condition and results of operations.

***The Group may be exposed to shortfalls in its pension plans.***

Certain of the Group's defined benefit pension plans are currently underfunded. As of December 31, 2019, the Group's defined benefit pension plans were underfunded by approximately €4.3 billion and may be subject to significant minimum contributions in future years. The Group's pension funding obligations may increase significantly if the investment performance of plan assets does not keep pace with benefit payment obligations. Mandatory funding obligations may increase because of lower than anticipated returns on plan assets, whether as a result of overall weak market performance or particular investment decisions, changes in the level of interest rates used to determine required funding levels, changes in the level of benefits provided for by the plans, or any changes in applicable law related to funding requirements. The Group's defined benefit plans currently hold significant investments in equity and fixed income securities, as well as investments in less liquid instruments such as private equity, real estate and certain hedge funds. Due to the complexity and magnitude of certain investments, additional risks may exist, including the effects of significant changes in investment policy, insufficient market capacity to complete a particular investment strategy and an inherent divergence in objectives between the ability to manage risk in the short term and the ability to quickly re-balance illiquid and long-term investments.

To determine the appropriate level of funding and contributions to the Group's defined benefit plans, as well as the investment strategy for the plans, the Group is required to make various assumptions, including an expected rate of return on plan assets and a discount rate used to measure the obligations under defined benefit pension plans. Interest rate increases generally will result in a decline in the value of investments in fixed income securities and the present value of the obligations. Conversely, interest rate decreases will generally increase the value of investments in fixed income securities and the present value of the obligations.

Any reduction in the discount rate or the value of plan assets, or any increase in the present value of obligations, may increase the Group's pension expenses and required contributions and, as a result, could constrain liquidity and materially adversely affect its financial condition and results of operations. If the Group fails to make required minimum funding contributions, it could be subject to reportable event disclosure to the U.S. Pension Benefit Guaranty Corporation, as well as interest and excise taxes calculated based upon the amount of any funding deficiency.

**Risks Related to Notes Generally**

***The Notes may not be a suitable investment for all investors.***

Each potential investor in the 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 Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in the Base 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, 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 Notes, including Notes with principal or interest payable in one or more currencies different from the potential investor's currency;
- (iv) understand thoroughly the terms of the 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 may be 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 portfolios. 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 terms and conditions of the Notes are subject to modification and waiver.***

The conditions of the Notes contain provisions for calling meetings of Noteholders to consider and vote upon matters affecting their interests generally or to pass resolutions in writing or through the use of electronic consents. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting or, as the case may be, did not sign the written resolution or give their consent electronically, and including those Noteholders who voted in a manner contrary to the majority.

***Payments on the Notes may be subject to withholding.***

There may be limited situations in which payments on the Notes may be subject to withholding if FCA were deemed not to be exclusively resident in the United Kingdom. Should FCA be treated as an Italian tax resident, payments on the Notes in favour of non-Italian Noteholders may be subject to taxation in Italy, which could result in additional costs for Noteholders which would not benefit from the gross-up provisions of Condition 7 (*Taxation*). See "*Risk Factors—FCA N.V. operates so as to be treated as exclusively resident in the UK for tax purposes, but the relevant tax authorities may treat it as also being tax resident elsewhere*" for a discussion of the factors relating to the tax treatment of FCA.

For a description of the tax implications of holding the Notes, see "*Taxation*".

For a description of the circumstances in which Noteholders will receive additional amounts in respect of any tax withheld from payments on the Notes, see Condition 7 (*Taxation*).

Investors who are in any doubt as to their position should consult their professional advisers.

***The Notes may be traded in amounts that are not integral multiples of their Specified Denomination.***

The Notes which have denominations consisting of a minimum Specified Denomination and one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case, a holder who, as a result of such trading, holds an amount which is less than the minimum Specified Denomination in its account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to the minimum Specified Denomination.

If definitive Notes are issued, holders should be aware that definitive Notes which have a denomination which is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

***Laws may restrict certain investments in the Notes.***

The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

***The Notes do not restrict the amount of debt which the Issuers and the Guarantor may incur.***

The terms and conditions relating to the Notes do not contain any restriction on the amount of indebtedness which the Issuers and the Guarantor may from time to time incur. In the event of any insolvency or winding-up of the Issuers or the Guarantor (where applicable), the Notes will rank equally with other unsecured senior indebtedness of the relevant Issuer and the Guarantor and, accordingly, any increase in the amount of unsecured senior indebtedness of the Issuers or the Guarantor in the future may reduce the amount recoverable by Noteholders. In addition, the Notes are unsecured and, save as provided in Condition 3 (*Negative Pledge*), do not contain any restriction on the giving of security by the Issuers or the Guarantor over present and future indebtedness. Where security has been granted over assets of the Issuers or the Guarantor to secure indebtedness, in the event of any insolvency or winding-up of the Issuers or the Guarantor, such indebtedness will rank in priority over the Notes and other unsecured indebtedness of the Issuers or the Guarantor in respect of such assets. In relation to the assets and indebtedness of FCA's subsidiaries, see also "*Risk Factors—FCA N.V. is a holding company, which creates structural subordination risks for the holders of the Notes*" above.

***The value of the Notes could be adversely affected by a change of law or administrative practice.***

The terms and conditions of the Notes are based on English law in effect as at the date of issue of the relevant Notes. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of issue of the relevant Notes and any such change could materially impact the value of the Notes affected by it.

**Risks that May Be Related to Particular Series of Notes**

Different types of Notes may be issued under the Programme. A number of these Notes may have features which present particular risks for potential investors. Set out below is a description of the most common such features:

***Notes subject to optional redemption by the Issuer.***

An optional redemption feature of Notes is likely to limit their market value. During any period when the relevant Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The relevant Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

***Fixed/Floating Rate Notes.***

Fixed/Floating Rate Notes bear interest at a rate that may convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Such a feature to convert the interest basis, and any conversion of the interest basis, may affect the secondary market in, and the market value of, such Notes as the change of interest basis may result in a lower interest result for Noteholders. Where the Notes convert from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then-prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. Where the Notes convert from a floating rate to a fixed rate, the fixed rate may be lower than then-prevailing rates on those Notes and could affect the market value of an investment in the relevant Notes.

***Notes issued at a substantial discount or premium.***

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining terms of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

**Risks Related to the Market Generally**

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

***Investors may not have access to a liquid secondary market into which to sell their Notes.***

Notes may have no established trading market when issued, and one may never develop. If a market for the Notes does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar instruments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. In addition, liquidity for the Notes may be limited depending on the level of concentration of allocations made to investors. Illiquidity may have a severely adverse effect on the market value of the Notes.

***Investors will face the risks of exchange rate fluctuations and possible exchange controls.***

The relevant Issuer will pay principal and interest on the Notes and the Guarantor will make any payments under the Guarantee (where applicable) in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "Investor's Currency") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. Appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the relevant Issuer or the Guarantor to make payments in respect of the Notes. As a result, investors may receive less interest or principal than expected, or no interest or principal.

***Investors will face interest-rate risks.***

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Notes.

***Credit ratings may not reflect all risks.***

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

***The regulation and reform of "benchmarks" may adversely affect the value of Notes linked to or referencing such "benchmarks".***

Interest rates and indices which are deemed to be "benchmarks", (including EURIBOR, LIBOR and CNH HIBOR) are the subject of recent national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a

material adverse effect on any Notes linked to or referencing such a benchmark. The Benchmarks Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU and in the UK. It will, among other things, (i) require benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevent certain uses by EU- or UK-supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed).

The Benchmarks Regulation could have a material impact on any Notes linked to or referencing EURIBOR, LIBOR or CNH HIBOR, in particular, if the methodology or other terms of EURIBOR, LIBOR or CNH HIBOR are changed in order to comply with the requirements of the Benchmarks Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of EURIBOR, LIBOR or CNH HIBOR.

More broadly, any of the international or national reforms, or the general increased regulatory scrutiny of “benchmark”, could increase the costs and risks of administering or otherwise participating in the setting of a “benchmark” and complying with any such regulations or requirements. Such factors may have the following effects on certain “benchmark”: (i) discourage or prevent market participants from continuing to administer or contribute to the “benchmark”; (ii) trigger changes in the rules or methodologies used in the “benchmark” or (iii) lead to the disappearance of the “benchmark”. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to or referencing EURIBOR, LIBOR or CNH HIBOR.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmarks Regulation reforms in making any investment decision with respect to any Notes linked to or referencing EURIBOR, LIBOR or CNH HIBOR.

***Future discontinuance of certain “benchmark” rates (such as LIBOR or EURIBOR) may adversely affect the value of Floating Rate Notes which are linked to or reference such “benchmarks”.***

The United Kingdom Financial Conduct Authority has indicated through a series of announcements that the continuation of LIBOR on the current basis is not guaranteed after 2021 and that steps are being taken to transition from LIBOR to alternative interest rate benchmarks. It is not possible to predict whether, and to what extent, panel banks will continue to provide LIBOR submissions to the administrator of LIBOR going forwards. This may cause LIBOR to perform differently than it did in the past and may have other consequences which cannot be predicted.

Investors should be aware that, if LIBOR or any other benchmark (including EURIBOR and CNH HIBOR) were discontinued or otherwise unavailable, the rate of interest on Floating Rate Notes which reference LIBOR or any other such benchmark will be determined for the relevant period by the fall-back provisions applicable to such Notes. Depending on the manner in which the LIBOR rate is to be determined under the Terms and Conditions of the Notes, this may: (i) if ISDA Determination applies, be reliant upon the provision by reference banks of offered quotations for the LIBOR rate which, depending on market circumstances, may not be available at the relevant time; or (ii) if Screen Rate Determination applies, result in the effective application of a fixed rate based on the rate which applied in the previous period when LIBOR was available. Any of the foregoing could have an adverse effect on the value or liquidity of, and return on, any Floating Rate Notes which reference LIBOR.

The above mentioned risks related to LIBOR may also impact EURIBOR and/or CNH HIBOR in future. Investors in Floating Rate Notes which reference EURIBOR or CNH HIBOR should be mindful of the applicable fall-back provisions in respect of such Notes and the adverse effect this may have on the value or liquidity of, and return on, any Floating Rate Notes which replace EURIBOR or CNH HIBOR.

If a Benchmark Event (as defined in Condition 4(c) (*Interest – Benchmark Event*)) (which, amongst other events, includes the permanent discontinuation of an Original Reference Rate (as defined in Condition 4(c) (*Interest – Benchmark Event*))) occurs, the Issuer shall use its reasonable endeavours to appoint an Independent Adviser (as defined in Condition 4(c) (*Interest – Benchmark Event*)), to determine a Successor Rate or Alternative Rate (as defined in Condition 4(c) (*Interest – Benchmark Event*)) to be used in place of the Original Reference Rate. The use of any such Successor Rate or Alternative Rate to determine the Rate of Interest will result in Notes linked to or referencing the Original Reference Rate performing differently (which may include payment of a lower Rate of Interest) than they would do if the Original Reference Rate were to continue to apply in its current form.

Furthermore, if a Successor Rate or Alternative Rate for the Original Reference Rate is determined by the Independent Adviser, the Terms and Conditions of the Notes provide that the Issuer may vary the terms and conditions of the Notes, as necessary to ensure the proper operation of such Successor Rate or Alternative Rate, without any requirement for consent or approval of the Noteholders.

If a Successor Rate or Alternative Rate is determined by the Independent Adviser, the Terms and Conditions of the Notes also provide that an Adjustment Spread (as defined in Condition 4(c) (*Interest – Benchmark Event*)) may be determined by the Independent Adviser and applied to such Successor Rate or Alternative Rate. The aim of the Adjustment Spread is to reduce or eliminate, to the extent reasonably practicable, any economic prejudice or benefit (as the case may be) to Noteholders and Couponholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate. However, it may not be possible to determine or apply an Adjustment Spread and even if an Adjustment Spread is applied, such Adjustment Spread may not be effective to reduce or eliminate economic prejudice to Noteholders and Couponholders. If no Adjustment Spread can be determined, a Successor Rate or Alternative Rate may nonetheless be used to determine the Rate of Interest. The use of any Successor Rate or Alternative Rate (including with the application of an Adjustment Spread) will still result in Notes linked to or referencing the Original Reference Rate performing differently (which may include payment of a lower Rate of Interest) than they would if the Original Reference Rate were to continue to apply in its current form.

***The Issuer may be unable to appoint an Independent Adviser or the Independent Adviser may not be able to determine a Successor Rate or Alternative Rate in accordance with the Terms and Conditions of the Notes.***

Where the Issuer is unable to appoint an Independent Adviser in a timely manner, or the Independent Adviser is unable to determine a Successor Rate or Alternative Rate before the next Interest Determination Date (as specified in the applicable Final Terms), the Rate of Interest for the next succeeding Interest Period will be the Rate of Interest applicable as at the last preceding Interest Determination Date before the occurrence of the Benchmark Event, or, where the Benchmark Event occurs before the first Interest Determination Date, the Rate of Interest will be the initial Rate of Interest. Applying the initial Rate of Interest, or the Rate of Interest applicable as at the last preceding Interest Determination Date before the occurrence of the Benchmark Event, will result in Notes linked to or referencing the relevant benchmark performing differently (which may include payment of a lower Rate of Interest) than they would do if the Original Reference Rate were to continue to apply, or if a Successor Rate or Alternative Rate could be determined.

If the Issuer is unable to appoint an Independent Adviser, or the Independent Adviser fails to determine a Successor Rate or Alternative Rate for the life of the relevant Notes, the initial Rate of Interest, or the Rate of Interest applicable as at the last preceding Interest Determination Date before the occurrence of the Benchmark Event, will continue to apply to maturity. This will result in the Floating Rate Notes, in effect, becoming fixed rate Notes.

#### **Risks related to Notes Denominated in Renminbi**

***The Renminbi is not completely freely convertible and there are significant restrictions on the remittance of the Renminbi into and outside the PRC which may adversely affect the liquidity of CNY Notes.***

The Renminbi is not completely freely convertible at present. The government of the PRC (the “PRC Government”) continues to regulate conversion between the Renminbi and foreign currencies, despite significant reduction in control by it in recent years over trade transactions involving the import and export of goods and services as well as other frequent routine foreign exchange transactions. These transactions are known as current account items.

On October 13, 2011, the People’s Bank of China (the “PBoC”) promulgated the “Administrative Rules on Settlement of RMB-denominated Foreign Direct Investment” (外商直接投资人民币结算业务管理办法) (the “PBoC FDI Measures”) as part of the implementation of the PBoC’s detailed foreign direct investment (“FDI”) accounts administration system. The system covers almost all aspects in relation to FDI, including capital injections, payments for the acquisition of PRC domestic enterprises, repatriation of dividends and other distributions, as well as Renminbi denominated cross-border loans. On June 14, 2012, the PBoC further issued the implementing rules for the PBoC FDI Measures. Under the PBoC FDI Measures, special approval for FDI and shareholder loans from the PBoC, which was previously required, is no longer necessary. In some cases however, post-event filing with the PBoC is still necessary.

On December 3, 2013, the Ministry of Commerce of the PRC (“MOFCOM”) promulgated the “Circular on Issues Concerning Cross-border RMB Direct Investment” (商务部关于跨境人民币直接投资有关问题的公告) (the “MOFCOM Circular”), which became effective on January 1, 2014 to further facilitate FDI by simplifying and streamlining the applicable regulatory framework.

Pursuant to the MOFCOM Circular, written approval from the appropriate office of MOFCOM and/or its local counterparts specifying “Renminbi Foreign Direct Investment” and the amount of capital contribution is required for each FDI. Unlike previous MOFCOM regulations on FDI, the MOFCOM Circular removes the approval requirement for foreign investors who intend to change the currency of their existing capital contribution from a foreign currency to Renminbi. In addition, the MOFCOM Circular also clearly prohibits FDI funds from being used for any investments in securities and financial derivatives (except for investments in PRC listed companies by strategic investors) or for entrustment loans in the PRC.

Although starting from October 1, 2016, the Renminbi was added to the Special Drawing Rights basket created by the International Monetary Fund and policies for further improving accessibility to Renminbi to settle cross-border transactions in foreign currencies were issued, there is no assurance that the PRC Government will continue to gradually liberalise control over cross-border remittance of Renminbi in the future, that the schemes for Renminbi cross-border utilisation will not be discontinued or that new regulations in the PRC will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or outside the PRC. Further, if any new PRC regulations are promulgated in the future which have the effect of permitting or restricting (as the case may be) the remittance of Renminbi for payment of transactions categorised as capital account items, then such remittances will need to be made subject to the specific requirements or restrictions set out in such rules. In the event that any regulatory restrictions inhibit the ability of the relevant Issuer or the Guarantor, as the case may be, to repatriate funds outside the PRC to meet its obligations under the CNY Notes, the relevant Issuer or the Guarantor, as the case may be, will need to source Renminbi offshore to finance such obligations under the CNY Notes, and its ability to do so will be subject to the overall availability of Renminbi outside the PRC.

Investors may be required to provide certifications and other information (including Renminbi account information) in order to be allowed to receive payments in Renminbi in accordance with the Renminbi clearing and settlement system for participating banks in Hong Kong.

The MOFCOM Circular and the PBoC FDI Measures will be subject to interpretation and application by the relevant authorities in the PRC.

For further details in respect of the remittance of Renminbi into and outside the PRC (including the MOFCOM Circular and the PBoC FDI Measures), see “*Remittance of Renminbi into and outside the PRC*” below.

***There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of the CNY Notes and the ability of the relevant Issuer or Guarantor to source Renminbi outside the PRC to service the CNY Notes.***

As a result of the restrictions imposed by the PRC Government on cross-border Renminbi fund flows, the availability of Renminbi outside of the PRC is limited. The PBoC, the central bank of the PRC, has also established Renminbi clearing and settlement mechanisms for participating banks in various countries, through settlement agreements (the “Settlement Agreements”) on the clearing of Renminbi business with financial institutions in a number of financial centres and cities (each, a “Renminbi Clearing Bank”) and these Renminbi Clearing Banks have been permitted to engage in the settlement of Renminbi trade transactions.

However, the current size of Renminbi-denominated financial assets outside the PRC is limited. There are restrictions imposed by the PBOC on Renminbi business participating banks in respect of cross-border Renminbi settlement, such as those relating to direct transactions with PRC enterprises. Furthermore, Renminbi business participating banks do not have direct Renminbi liquidity support from the PBoC. The relevant Renminbi Clearing Bank only has access to onshore liquidity support from the PBoC for the purpose of squaring open positions of participating banks for limited types of transactions. The relevant Renminbi Clearing Bank is not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services. In each case, the participating banks will need to source Renminbi from outside the PRC to square such open positions.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC regulations will not be promulgated or the Settlement Agreements will not be terminated or amended in the future so as to have the effect of restricting the availability of Renminbi outside the PRC. The limited availability of Renminbi outside the PRC may affect the liquidity of the CNY Notes. To the extent the relevant Issuer or the Guarantor, as the case may be, is required to source Renminbi outside the PRC to service the CNY Notes, there is no assurance that it will be able to source such Renminbi on satisfactory terms, if at all. If the Renminbi is not available in certain circumstances as described in the CNY Notes, the relevant Issuer or the Guarantor, as the case may be, can make payments under the CNY Notes in U.S. dollars or another specified currency.



***Investment in the CNY Notes is subject to exchange rate risks and the relevant Issuer or the Guarantor may make payments of interest and principal in U.S. dollars in certain circumstances.***

The value of the Renminbi against the U.S. dollar and other foreign currencies fluctuates from time to time and is affected by changes in the PRC, by international political and economic conditions and by many other factors. In August 2015, the PBoC implemented changes to the way it calculates the midpoint against the U.S. dollar to take into account market-maker quotes before announcing the daily midpoint. This change, among others that may be implemented, may increase the volatility in the value of the Renminbi against other currencies. In addition, although the primary obligation of the relevant Issuer or the Guarantor, as the case may be, is to make all payments of interest and principal with respect to the CNY Notes in Renminbi, in the event access to Renminbi in Hong Kong becomes restricted to the extent that, by reason of Inconvertibility, Non-transferability or Illiquidity (each as defined in the “*Terms and Conditions of the Notes*”), the relevant Issuer or the Guarantor, as the case may be, is unable to pay interest or principal in Renminbi in Hong Kong, the terms of the CNY Notes allow the relevant Issuer or the Guarantor, as the case may be, to make payment in U.S. dollars or another specified currency at the prevailing spot rate of exchange, all as provided for in more detail in Condition 5(g) (*Payment - Payment of Alternative Currency Equivalent*). As a result, the value of these Renminbi payments in U.S. dollar or other foreign currency terms may vary with the changes in the prevailing exchange rates in the market place. If the value of Renminbi depreciates against the U.S. dollar or other applicable foreign currencies, the value of the investment in U.S. dollars or other applicable foreign currency terms, as the case may be, will decline.

***Payments in respect of the CNY Notes will only be made to investors in the manner specified in the CNY Notes.***

Investors may be required to provide certification and other information (including Renminbi account information) in order to be allowed to receive payments in Renminbi in accordance with the Renminbi clearing and settlement system for participating banks in Hong Kong. Except in the limited circumstances stipulated in Condition 5(g) (*Payments - Payment of Alternative Currency Equivalent*), all payments to investors in respect of the CNY Notes will be made solely (i) for so long as the CNY Notes are represented by a Global Note, by transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing rules and procedures of the relevant clearing systems, or (ii) for so long as the CNY Notes are in definitive form, by transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing rules and regulations of the relevant clearing systems. Other than as described in the “*Terms and Conditions of the Notes*”, none of the Issuers nor the Guarantor can be required to make payment by any other means (including in bank notes, by cheque or draft or by transfer to a bank account in the PRC).

***There may be PRC tax consequences with respect to investment in the CNY Notes.***

In considering whether to invest in the CNY Notes, investors should consult their individual tax advisers with regard to the application of PRC tax laws to their particular situations as well as any tax consequences arising under the laws of any other tax jurisdictions. The value of the Holder's investment in the CNY Notes may be materially and adversely affected if the Holder is required to pay PRC tax with respect to acquiring, holding or disposing of and receiving payments under those CNY Notes.

## DOCUMENTS INCORPORATED BY REFERENCE

The information contained in certain pages of the documents referred to in paragraphs (a), (b) and (c) below and the documents referred to in paragraph (d) below have been filed with the Central Bank and shall be deemed to be incorporated in, and to form part of, this Base Prospectus:

- (a) the audited consolidated annual financial statements (including a consolidated income statement, consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity, and notes to the consolidated financial statements) of the FCA Group as of and for the years ended December 31, 2019 and 2018.

The FCA Group's audited annual consolidated financial statements as of and for the year ended December 31, 2019 are set out in the Annual Report for the year ended December 31, 2019 of the FCA Group available on FCA's website at the link below:

[https://www.fcagroup.com/en-US/investors/financial\\_regulatory/financial\\_reports/files/FCA\\_NV\\_2019\\_Annual\\_Report.pdf](https://www.fcagroup.com/en-US/investors/financial_regulatory/financial_reports/files/FCA_NV_2019_Annual_Report.pdf)

The FCA Group's audited annual consolidated financial statements as of and for the year ended December 31, 2018 are set out in the Annual Report for the year ended December 31, 2018 of the FCA Group available on FCA's website at the link below:

[https://www.fcagroup.com/en-US/investors/financial\\_regulatory/financial\\_reports/files/FCA\\_NV\\_2018\\_Annual\\_Report.pdf](https://www.fcagroup.com/en-US/investors/financial_regulatory/financial_reports/files/FCA_NV_2018_Annual_Report.pdf)

- (b) the Company Standalone Financial Statements (including income statements, statements of financial position, and notes to the Company Standalone Financial Statements) of FCA N.V. as of and for the years ended December 31, 2019 and 2018.

The Company Standalone Financial Statements of FCA N.V. as of and for the year ended December 31, 2019 are set out in the Annual Report for the year ended December 31, 2019 of the FCA Group available on FCA's website at the link below:

[https://www.fcagroup.com/en-US/investors/financial\\_regulatory/financial\\_reports/files/FCA\\_NV\\_2019\\_Annual\\_Report.pdf](https://www.fcagroup.com/en-US/investors/financial_regulatory/financial_reports/files/FCA_NV_2019_Annual_Report.pdf)

The Company Standalone Financial Statements of FCA N.V. as of and for the year ended December 31, 2018 are set out in the Annual Report for the year ended December 31, 2018 of the FCA Group available on FCA's website at the link below:

[https://www.fcagroup.com/en-US/investors/financial\\_regulatory/financial\\_reports/files/FCA\\_NV\\_2018\\_Annual\\_Report.pdf](https://www.fcagroup.com/en-US/investors/financial_regulatory/financial_reports/files/FCA_NV_2018_Annual_Report.pdf)

- (c) the independent auditors' report on (i) the audited consolidated annual financial statements of the FCA Group as of and for the year ended December 31, 2019, and (ii) the Company Standalone Financial Statements of FCA N.V. as of and for the year ended December 31, 2019 is set out in the Annual Report for the year ended December 31, 2019 of the FCA Group available on FCA's website at the link below:

[https://www.fcagroup.com/en-US/investors/financial\\_regulatory/financial\\_reports/files/FCA\\_NV\\_2019\\_Annual\\_Report.pdf](https://www.fcagroup.com/en-US/investors/financial_regulatory/financial_reports/files/FCA_NV_2019_Annual_Report.pdf)

The independent auditors' report on (i) the audited consolidated annual financial statements of the FCA Group as of and for the year ended December 31, 2018, and (ii) the Company Standalone Financial Statements of FCA N.V. as of and for the year ended December 31, 2018 is set out in the Annual Report for the year ended December 31, 2018 of the FCA Group available on FCA's website at the link below:

[https://www.fcagroup.com/en-US/investors/financial\\_regulatory/financial\\_reports/files/FCA\\_NV\\_2018\\_Annual\\_Report.pdf](https://www.fcagroup.com/en-US/investors/financial_regulatory/financial_reports/files/FCA_NV_2018_Annual_Report.pdf)

- (d) the audited annual statutory stand-alone financial statements of FCFE, including the audit report thereon, as of and for the year ended December 31, 2019.

FCFE's audited stand-alone annual financial statements and audit report thereon as of and for the year ended December 31, 2019:

[https://www.fcagroup.com/en-US/investors/bond\\_info\\_and\\_credit\\_rating/emtn\\_programme/financial\\_statements/Fiat\\_Chrysler\\_Finance\\_Europe\\_SENC\\_annual\\_accounts\\_31\\_12\\_2019.pdf](https://www.fcagroup.com/en-US/investors/bond_info_and_credit_rating/emtn_programme/financial_statements/Fiat_Chrysler_Finance_Europe_SENC_annual_accounts_31_12_2019.pdf)

- (e) the audited consolidated annual financial statements (including a consolidated income statement, consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity, and notes to the consolidated financial statements) of PSA as of and for the years ended December 31, 2019 and 2018.

PSA's audited annual consolidated financial statements as of and for the year ended December 31, 2019 are set out in its EU annual report for the year ended December 31, 2019 of PSA available on Groupe PSA's website at the link below:

<https://www.groupe-psa.com/content/uploads/2020/02/Groupe-PSA-Annual-report-2019-incl.-auditors-report.pdf>

PSA's audited annual consolidated financial statements as of and for the year ended December 31, 2018 are set out in its EU annual report for the year ended December 31, 2018 of PSA available on Groupe PSA's website at the link below:

<https://www.groupe-psa.com/content/uploads/2019/02/Annual-results-Groupe-PSA-2018.pdf>

- (f) the independent auditors' report on the audited consolidated annual financial statements of PSA as of and for the year ended December 31, 2019 is set out in its EU annual report for the year ended December 31, 2019 of PSA available on Groupe PSA's website at the link below:

<https://www.groupe-psa.com/content/uploads/2020/02/Groupe-PSA-Annual-report-2019-incl.-auditors-report.pdf>

The independent auditors' report on the audited consolidated annual financial statements of PSA as of and for the year ended December 31, 2018 is set out in its EU annual report for the year ended December 31, 2018 of PSA available on Groupe PSA's website at the link below:

<https://www.groupe-psa.com/content/uploads/2019/02/Annual-results-Groupe-PSA-2018.pdf>

- (g) the terms and conditions set out on pages 45 to 82 of the base prospectus dated March 28, 2019 relating to the Programme under the heading "Terms and Conditions of the Notes" available on FCA's website at the link below:

[https://www.fcagroup.com/en-US/investors/bond\\_info\\_and\\_credit\\_rating/emtn\\_programme/base\\_prospectus/FCA\\_EMTN\\_Base\\_Prospectus\\_2019\\_Update.pdf](https://www.fcagroup.com/en-US/investors/bond_info_and_credit_rating/emtn_programme/base_prospectus/FCA_EMTN_Base_Prospectus_2019_Update.pdf)

Non-incorporated parts of a document referred to in (a) to (g) above are either not relevant for an investor or are covered elsewhere in this Base Prospectus.

Each Issuer and the Guarantor will provide, without charge, to each person to whom a copy of the Base Prospectus has been delivered, upon the request of such person, a copy of any or all of the documents deemed to be incorporated herein by reference unless such documents have been modified or superseded. Requests for such documents should be directed to any Issuer or

the Guarantor at its address set out at the end of the Base Prospectus. The Base Prospectus is available on FCA's website at <http://www.fcagroup.com>. Copies of the documents incorporated by reference herein may be physically inspected at the offices of the Paying Agent in Ireland for the life of the Base Prospectus and will also be available on FCA's website at the links referred to above. FCA's website, as well as its content (except for the documents available at the links mentioned above to the extent incorporated by reference herein), do not form part of the Base Prospectus.

Each Issuer and the Guarantor will, in connection with the listing of the Notes on Euronext Dublin, so long as any Notes remain outstanding and listed on such exchange, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Base Prospectus, prepare a supplement to the Base Prospectus in accordance with Article 23 of the Prospectus Regulation or publish a new Base Prospectus as may be required under the Prospectus Regulation for use in connection with any subsequent issue of the Notes to be listed on Euronext Dublin. Any statement contained in this Base Prospectus or in any information or in any of the documents incorporated by reference in, and forming part of, this Base Prospectus shall be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained in any document subsequently incorporated by reference modifies or supersedes such statement provided that such modifying or superseding statement is made by way of a supplement to this Base Prospectus pursuant to Article 23 of the Prospectus Regulation.

If the terms of the Programme are modified or amended in a manner that would make the Base Prospectus, as so modified or amended, inaccurate or misleading, a new base prospectus will be prepared.

## FORM OF THE NOTES

The Notes of each Series will be in bearer form, with or without interest coupons (“Coupons”) attached. The Notes will be issued outside the United States in reliance on Regulation S under the Securities Act (“Regulation S”).

Each Tranche of Notes will be in bearer form and will initially be issued in the form of a temporary global note (a “Temporary Global Note”) or, if so specified in the applicable Final Terms, a permanent global note (a “Permanent Global Note” and, together with a Temporary Global Note, each a “Global Note”) which, in either case, will:

- (d) if, in respect of any Notes other than CMU Notes, the Global Notes are intended to be issued in new global note (“NGN”) form, as stated in the applicable Final Terms, be delivered on or prior to the original issue date of the Tranche to a common safekeeper (the “Common Safekeeper”) for Euroclear Bank SA/NV (“Euroclear”) and Clearstream Banking S.A. (“Clearstream, Luxembourg”); and
- (e) if the Global Notes are not intended to be issued in NGN Form, be delivered on or prior to the original issue date of the Tranche to a common depository (the “Common Depository”) for Euroclear and Clearstream, Luxembourg; or
- (f) in respect of Global Notes representing CMU Notes, be delivered to a sub-custodian nominated by the HKMA as operator of the CMU Service.

In the case of each Tranche of Notes, the applicable Final Terms will specify whether United States Treasury Regulation §1.163-5(c)(2)(i)(C) (or any successor U.S. Treasury Regulation Section including, without limitation, regulations issued in accordance with U.S. Internal Revenue Service Notice 2012-20 or otherwise in connection with the U.S. Hiring Incentives to Restore Employment Act of 2010) (“TEFRA C”) or United States Treasury Regulation §1.163-5(c)(2)(i)(D) (or any successor U.S. Treasury Regulation Section including, without limitation, regulations issued in accordance with U.S. Internal Revenue Service Notice 2012-20 or otherwise in connection with the U.S. Hiring Incentives to Restore Employment Act of 2010) (“TEFRA D”) are applicable in relation to the Notes or, if the Notes do not have a maturity of more than one year, that neither TEFRA C nor TEFRA D is applicable.

Where the Global Notes issued in respect of any Tranche are in NGN form, the applicable Final Terms will also indicate whether such Global Notes are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Global Notes are to be so held does not necessarily mean that the Notes of the relevant Tranche will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any times during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria. The Common Safekeeper for NGNs will either be Euroclear or Clearstream, Luxembourg or another entity approved by Euroclear and Clearstream, Luxembourg.

Whilst any Note is represented by a Temporary Global Note, payments of principal, interest (if any) and any other amount payable in respect of the Notes due prior to the Exchange Date (as defined below) will be made (against presentation of the Temporary Global Note if the Temporary Global Note is not intended to be issued in NGN form) only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in the Temporary Global Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by (in the case of the Notes other than CMU Notes) Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream, Luxembourg, or (in case of CMU Notes) the CMU Lodging and Paying Agent and (in the case of a Temporary Global Note delivered to the Common Depository for Euroclear and Clearstream) Euroclear and/or Clearstream, as applicable, as applicable, has given a like certification (based on the certifications it has received) to the Principal Paying Agent.

On and after the date (the “Exchange Date”) which is, in respect of each Tranche in respect of which a Temporary Global Note is issued, 40 days after the Temporary Global Note is issued, interests in such Temporary Global Note will be exchangeable (free of charge) upon a request as described therein either for (i) interests in a Permanent Global Note of the same Series or (ii) definitive Notes of the same Series with, where applicable, interest coupons and talons attached (as indicated in the applicable Final Terms and in the case of definitive Notes, subject to such notice period as is specified in the applicable Final Terms), and (iii) in each case, against certification of beneficial ownership as described above unless such certification has already been given, provided that purchasers in the United States and certain U.S. persons will not be able to receive definitive Notes. The holder of a Temporary Global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Global Note for

an interest in a Permanent Global Note or for definitive Notes is improperly withheld or refused. The CMU Service may require that any such exchange for a Permanent Global Note is made in whole and not in part, and in such event no such exchange will be effected until all relevant account holders (as set out in a CMU Instrument Position Report (as defined in the rules of the CMU Service) or any other relevant notification supplied to the CMU Lodging and Paying Agent by the CMU Service) have so certified. The CMU Service may require the issue and deposit of such Permanent Global Note with its sub-custodian without permitting the withdrawal of the Temporary Global Note so exchanged, although any interests exchanged thereon shall have been properly effected in its records.

Payments of principal, interest (if any) or any other amounts on a Permanent Global Note issued in exchange for a Temporary Global Note, or issued pursuant to TEFRA C, will be made through Euroclear and/or Clearstream against presentation or surrender (as the case may be) of the Permanent Global Note (if the Permanent Global Note is not intended to be issued in NGN form) without any requirement for certification.

In respect of a Global Note held through the CMU Service, payments of principal, interest (if any) or any other amounts will be made to the person(s) for whose account(s) interests in the relevant Global Note are credited (as set out in a CMU Instrument Position Report or in any other relevant notification supplied to the CMU Lodging and Paying Agent by the CMU Service) and, save in the case of final payment, no presentation of the relevant Global Note shall be required for such purpose.

The applicable Final Terms will specify that a Permanent Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Notes with, where applicable, interest coupons and talons attached either (a) upon not less than 60 days' written notice from Euroclear and/or Clearstream (acting on the instructions of any holder of an interest in such Permanent Global Note) to the Principal Paying Agent as described therein and/or (in the case of CMU Notes) from the relevant accountholders therein to the CMU Lodging and Paying Agent as described therein, or (b) only upon the occurrence of an Exchange Event.

For these purposes, "Exchange Event" means that (i) an Event of Default (as defined in Condition 9 (*Events of Default*)) has occurred and is continuing, (ii) the relevant Issuer has been notified that both Euroclear and Clearstream and, in the case of CMU Notes, the CMU Service have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system is available or (iii) the relevant Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Permanent Global Note in definitive form. The relevant Issuer will promptly give notice to Noteholders in accordance with Condition 13 (*Notices*) if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream (acting on the instructions of any holder of an interest in such Permanent Global Note) and/or (in the case of CMU Notes), the relevant accountholders therein, may give notice to the Principal Paying Agent or, as the case may be, the CMU Lodging and Paying Agent, requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the relevant Issuer may also give notice to the Principal Paying Agent or, as the case may be, the CMU Lodging and Paying Agent, requesting exchange. Any such exchange shall occur not later than 45 days after the date of receipt of the first relevant notice by the Principal Paying Agent or, as the case may be, the CMU Lodging and Paying Agent.

Where TEFRA D is specified in the applicable Final Terms, the following legend will appear on all Notes (other than Temporary Global Notes), and on all interest coupons relating to all such Notes:

"ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE."

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Notes or Coupons and will not be entitled to capital gains treatment of any gain on any sale, disposition, redemption or payment of principal in respect of such Notes or Coupons.

Notes which are represented by a Global Note will only be transferable, and payment in respect of them will only be made, in accordance with the rules and procedures for the time being of Euroclear, Clearstream or the CMU Service, as the case may be.

Pursuant to the Agency Agreement (as defined under "*Terms and Conditions of the Notes*"), the Principal Paying Agent or, as the case may be, the CMU Lodging and Paying Agent shall arrange that, when a Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes, the Notes of such further Tranche shall be assigned a

common code and ISIN and, where applicable, a CMU instrument number which are different from the common code, ISIN and, where applicable, CMU instrument number assigned to Notes of any other Tranche of the same Series.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear, Clearstream or the CMU Service each person (other than Euroclear, Clearstream or the CMU Service) who is for the time being shown in the records of Euroclear, Clearstream or the CMU Service, as applicable, as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear, Clearstream or the CMU Service, as applicable, as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the relevant Issuer, the Guarantor and their agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Global Note shall be treated by the relevant Issuer, the Guarantor and their agents as the holder of such nominal amount of such Notes in accordance with, and subject to the terms of, the relevant Global Note, and the expressions “Noteholder” and “holder of Notes” and related expressions shall be construed accordingly.

Notwithstanding the above, if a Note (whether in global or definitive form) is held through the CMU Service, any payment that is made in respect of such Note shall be made at the direction of the bearer to the person(s) for whose account(s) interests in such Note are credited as being held through the CMU Service in accordance with prevailing CMU rules and procedures at the relevant time as notified to the CMU Lodging and Paying Agent by the CMU Service in a relevant CMU Instrument Position Report or any other relevant notification by the CMU Service (which notification, in either case, shall be conclusive evidence of the records of the CMU Service as to the identity of any accountholder and the principal amount of any Note credited to its account, save in the case of manifest error) and such payments shall discharge the obligation of the relevant Issuer in respect of that payment under such Note.

Any reference herein to Euroclear and/or Clearstream and/or the CMU Service shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

A Note may be accelerated automatically by the holder thereof in certain circumstances described in Condition 9 (*Events of Default*). In such circumstances, if any Note is still represented by a Global Note and the Global Note (or any part thereof) has become due and repayable in accordance with the Terms and Conditions of such Notes and payment in full of the amount due has not been made in accordance with the provisions of the Global Note then, unless within the period of seven days commencing on the relevant due date, payment in full of the amount due in respect of the Global Note, is received by the bearer, as the case may be, in accordance with the provisions of the Global Note, holders of interests in such Global Note credited to their accounts with Euroclear and/or Clearstream and/or the CMU Service, as the case may be, will become entitled to proceed directly against the relevant Issuer on the basis of statements of account provided by Euroclear, Clearstream and/or the CMU Service on and subject to the terms of a deed of covenant (the “Deed of Covenant”) dated March 27, 2020 and executed by the Issuers.

## APPLICABLE FINAL TERMS

*Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme. Text in this section appearing in italics does not form part of the form of the Final Terms but denotes directions for completing the Final Terms.*

**[PROHIBITION OF SALES TO EEA AND UK 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**”) or in the United Kingdom (“**UK**”). 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**”); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.]

**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 MiFID II; 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 manufacturers’ 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.

**[SINGAPORE SFA PRODUCT CLASSIFICATION** - In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the “**SFA**”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “**CMP Regulations 2018**”), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are [prescribed capital markets products] / [capital markets products other than prescribed capital markets products] (as defined in the CMP Regulations 2018) and are [Excluded] / [Specified] 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).]<sup>1</sup>

[Date]

[FIAT CHRYSLER AUTOMOBILES N.V./

FIAT CHRYSLER FINANCE EUROPE *société en nom collectif*, UK Branch

*(previously known as Fiat Chrysler Finance Europe, a public limited liability company (société anonyme))*

(Existing as a general partnership under the laws of the Grand-Duchy of Luxembourg, having its registered office at 412F, Route d’Esch, L-2086 Luxembourg, Grand Duchy of Luxembourg and registered with Luxembourg Register of Commerce and Companies

*(Registre de Commerce et des Sociétés de Luxembourg) under number B-59500 and, as the context requires, acting through its UK branch (the “Branch”))*

Fiat Chrysler Automobiles Legal Entity Identifier (LEI) : 549300LKT9PW7ZIBDF31 /

Fiat Chrysler Finance Europe *société en nom collectif* LEI : 549300WNB3BQ4638PG80]

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]

[Guaranteed by Fiat Chrysler Automobiles N.V.]

under the €[20,000,000,000]

Euro Medium Term Note Programme

## PART A – CONTRACTUAL TERMS

---

<sup>1</sup> For any Notes to be offered to Singapore investors, the Issuer to consider whether it needs to re-classify the Notes pursuant to Section 309B of the SFA prior to the launch of the offer.



Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated March 27, 2020 [and the supplement[s] dated [ ] (together, the “Base Prospectus”) [which together constitute] / [which constitutes] a base prospectus for the purposes of Regulation (EU) 2017/1129 (the “Prospectus Regulation”)]<sup>†</sup>. This document constitutes the Final Terms of the Notes described herein [for the purposes of the Prospectus Regulation]<sup>‡</sup> and must be read in conjunction with such Base Prospectus in order to obtain all the relevant information. The Base Prospectus and these Final Terms are available for viewing at [https://www.fcagroup.com/en-US/investors/bond\\_info\\_and\\_credit\\_rating/emtn\\_programme/Pages/default.aspx](https://www.fcagroup.com/en-US/investors/bond_info_and_credit_rating/emtn_programme/Pages/default.aspx) and copies may be obtained from the Issuer [and the Guarantor] at [its/their respective] [principal executive] [and] [registered] office[s]. FCA’s website, as well as its content (except for any documents available at the links referred to in the Base Prospectus to the extent incorporated by reference therein) does not form part of the Base Prospectus or of these Final Terms.

*[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or subparagraphs (in which case the subparagraphs of the paragraphs which are not applicable can be deleted). Italics denote directions for completing the Final Terms.]*

*[If the Notes must be redeemed before the first anniversary of their date of issue, the minimum denomination may need to be €100,000 or its equivalent in any other currency.]*

- |    |  |  |
|----|--|--|
| 1. | (i) Issuer:  | Fiat Chrysler Automobiles N.V./Fiat Chrysler Finance Europe <i>société en nom collectif</i> , UK Branch  |
|    | (ii) Guarantor:  | [Fiat Chrysler Automobiles N.V./Not Applicable]  |
| 2. | (i) Series Number:   | [ ]  |
|    | (ii) Tranche Number:   | [ ]  |
|    | (iii) Date on which the Notes will be consolidated and form a single Series: | [The Notes will be consolidated and form a single Series with <i>[provide issue amount/ISIN/maturity date/issue date of earlier Tranches]</i> on [the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 24 below, which is expected to occur on or about [date]]/[Not Applicable] |
| 3. | Specified Currency or Currencies:  | [ ]  |
| 4. | Aggregate Nominal Amount:  |  |
|    | (i) Series:  | [ ]  |
|    | (ii) Tranche:  | [ ]  |
| 5. | Issue Price:   | [ ] percent of the Aggregate Nominal Amount [plus accrued Interest from [insert date] (if applicable)]   |
| 6. | (i) Specified Denominations:   | [ ]  |
|    |  | <i>Notes must have a minimum denomination of €100,000 or equivalent. Where multiple denominations above [€100,000] or equivalent are being used the following sample wording should be followed:</i>   |

---

<sup>†</sup> Delete where the Notes are neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area or in the United Kingdom in circumstances where a prospectus is required to be published under the Prospectus Regulation.

<sup>‡</sup> Delete where the Notes are neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area or in the United Kingdom in circumstances where a prospectus is required to be published under the Prospectus Regulation.

“[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above [€199,000]”.

*(N.B. If an issue of Notes is (i) NOT admitted to trading on a European Economic Area exchange; and (ii) only offered in the European Economic Area in circumstances where a prospectus is not required to be published under the Prospectus Regulation, the €100,000 minimum denomination is not required)*

(ii) Calculation Amount for Notes in definitive form (in relation to calculation of interest for Notes in global form - see Conditions): [ ] *(If only one Specified Denomination, insert the Specified Denomination.*  
*If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)*

7. (i) Issue Date: [ ]

(ii) Interest Commencement Date: [Specify/Issue Date/Not Applicable]

*(N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.)*

8. Maturity Date: [Fixed rate – specify date or for Floating rate Notes – Interest Payment Date falling in or nearest to [specify month and year]]

*(N.B. for certain Fixed Rate Notes, including Notes denominated in Renminbi, where the Interest Payment Dates are subject to modification it will be necessary to use the second option.)*

9. Interest Basis: [[ ] percent Fixed Rate]  
[[ ]-month [LIBOR/EURIBOR/CNH HIBOR] +/- [ ] percent Floating Rate]  
[Zero Coupon]  
(see paragraph[s] [16], [17], [18], below)

10. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 percent of their nominal amount.

11. Change of Interest Basis: [For the period from (and including) the Interest Commencement Date, up to (but excluding) [date], paragraph [16/17] applies, and for the period from (and including) [date], up to (and including) the Maturity Date, paragraph [16/17] applies / Not Applicable]

12. Alternative Currency Equivalent: [Applicable/Not Applicable]

*(If not applicable, delete the remaining sub-paragraphs. Where Notes are denominated in Renminbi, it is expected that this paragraph will be marked “Applicable”. If so, the sub-paragraphs below should be completed.)*

(i) Alternative Currency: [ ]

(ii) Alternative Currency Calculation Agent: [ ]

(iii) Rate Calculation Jurisdiction: [ ]

*(N.B. This shall be Eurozone where the Specified Currency is Euro or Hong Kong where the Specified Currency is Renminbi)*

- (iv) Rate Calculation Business Days: [ ]  
*(N.B. This shall be “two” where the Specified Currency is Renminbi)*
- [(v) RMB Spot Rate:] [[ ]/Not Applicable] *[Include an RMB Spot Rate only where the Notes are denominated in Renminbi and the default RMB Spot Rate is not applicable]*
- [(vi) Spot Rate Screen Page:] [ ] *[Delete where the Notes are denominated in Renminbi and sub-paragraph (v) is marked “Not Applicable”]*
- [(vii) Non-deliverable Spot Rate Screen Page:] [ ] *[Delete where the Notes are denominated in Renminbi and sub-paragraph (v) is marked “Not Applicable”]*
- [(viii) Spot Rate Calculation Time:] [ ] *[Delete where the Notes are denominated in Renminbi and sub-paragraph (v) is marked “Not Applicable”]*
13. Put/Call Options: [Investor Put]  
 [Issuer Call]  
 [Issuer Maturity Par Call]  
 [Not Applicable]  
 (see paragraph[s] [19] and [20][21] below)
14. [Date [board of directors’] approval for issuance of Notes [and Guarantee] obtained] [and [ ] respectively] [and in respect to FCFE: on [ ] by the Board of Managers of Fiat Chrysler Finance Europe *société en nom collectif* and on [ ] by the manager of the Branch]  
*(N.B. Only relevant where board (or similar) authorisation is required for the particular tranche of Notes or related Guarantee)*
15. Method of distribution: [Syndicated/Non-syndicated]

#### PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16. Fixed Rate Note Provisions: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Rate[(s)] of Interest: [ ] percent per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]
- (ii) Interest Payment Date(s): [ ] in each year up to and including the Maturity Date/[specify other]  
*(N.B. This will need to be amended in the case of long or short coupons)*  
*(N.B. For certain Renminbi denominated Fixed Rate Notes, the Interest Payment Dates are subject to modification and the following words should be added:*  
*“provided that if any Interest Payment Date falls on a day which is not a Business Day, the Interest Payment Date will be the next succeeding Business Day unless it would thereby fall in the next calendar month in which event the Interest Payment Date shall be brought forward to the immediately preceding Business Day. For these purposes, “Business Day” means a day, other than a Saturday or a Sunday on which commercial banks and foreign exchange markets settle payments and are open for general business (including*

*dealing in foreign exchange and currency deposits) in Hong Kong and [...]”.)*

- (iii) Fixed Coupon Amount(s) for Notes in definitive form (*and in relation to Notes in global form - see Conditions*): [ ] per Calculation Amount  
*(N.B. For Renminbi denominated Fixed Rate Notes where the Interest Payment Dates are subject to modification the following alternative wording is appropriate:*  
*“Each Fixed Coupon Amount shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount by the Day Count Fraction and rounding the resultant figure to the nearest CNY0.01, CNY0.005 being rounded upwards in the case of Renminbi denominated Fixed Rate Notes”.)*
- (iv) Broken Amount(s) for Notes in definitive form (*and in relation to Notes in global form - see Conditions*): [ ] per Calculation Amount payable on the Interest Payment Date falling [in/on] [ ] / [Not Applicable]
- (v) Day Count Fraction: [30 / 360 / Actual/Actual (ICMA) / [for Renminbi denominated Fixed Rate Notes - Actual/365(Fixed)]]
- (vi) Determination Date(s): [ ] in each year / [Not Applicable]  
*[Insert interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.] (N.B. This will need to be amended in the case of regular interest payment dates which are not of equal duration.)*  
*(N.B. Only relevant where Fixed Day Count Fraction is Actual/Actual (ICMA))*
17. Floating Rate Note Provisions: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Specified Period(s)/Specified Interest Payment Date(s): [ ] [, subject to adjustment in accordance with the Business Day Convention set out in (ii) below / not subject to adjustment, as the Business Day Convention in (ii) below is specified to be Not Applicable]
- (ii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention / Not Applicable]
- (iii) Additional Business Centre(s): [ ]
- (iv) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination]
- (v) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent): [ ]
- (vi) Screen Rate Determination:  
– Reference Rate: [ ]-month [LIBOR/EURIBOR/CNH HIBOR]  
– Interest Determination Date(s): [ ]  
*[(Second London business day prior to the start of each Interest Period if LIBOR (other than Sterling, euro LIBOR or CNH HIBOR), first day of each Interest Period if Sterling*

*LIBOR, the second day on which the TARGET2 System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR or the second Hong Kong business day prior to the start of each Interest Period if CNH HIBOR]*

– Relevant Screen Page: [ ]

*(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)*

(vii) ISDA Determination:

– Floating Rate Option: [ ]

– Designated Maturity: [ ]

– Reset Date: [ ]

*(N.B. The first day of the Interest Period)*

(viii) Linear Interpolation:

[Not Applicable/Applicable - the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)]

(ix) Margin(s): [+/-] [ ] percent per annum

(x) Minimum Rate of Interest: [ ] percent per annum

(xi) Maximum Rate of Interest: [ ] percent per annum

(xii) Day Count Fraction:

[Actual/365 or Actual/Actual  
Actual/365 (Fixed)  
Actual/365 (Sterling)  
Actual/360  
30/360, 360/360 or Bond Basis  
30E/360 or Eurobond Basis]

18. Zero Coupon Note Provisions:

[Applicable/Not Applicable]

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

(i) Accrual Yield: [ ] percent per annum

(ii) Reference Price: [ ]

(iii) Day Count Fraction in relation to Early Redemption Amounts and late payment in accordance with Conditions 6(f)(iii) and (i):

[30/360]  
[Actual/360]  
[Actual/365]

## PROVISIONS RELATING TO REDEMPTION

19. Issuer Call:

[Applicable/Not Applicable]

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

(i) Optional Redemption Date(s): [ ]

(ii) Optional Redemption Amount: [As set out in Condition 6(c)/[ ] per Calculation Amount]

- (iii) If redeemable in part:
- (a) Minimum Redemption Amount: [ ]
- (b) Maximum Redemption Amount: [ ]
20. Issuer Maturity Par Call [Applicable]/ [Not Applicable]  
 Notice periods (if other than as set out in the Conditions) [Minimum period: [ ] days]/[Not Applicable]  
 [Maximum period: [ ] days]/[Not Applicable]
21. Investor Put: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [ ]
- (ii) Optional Redemption Amount(s): [ ] per Calculation Amount
22. Final Redemption Amount: [ ] per Calculation Amount
23. Early Redemption Amount of each note payable on redemption for taxation reasons or on event of default: [ ] per Calculation Amount

#### GENERAL PROVISIONS APPLICABLE TO THE NOTES

24. Form of Notes: [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event].  
 [Temporary Global Note exchangeable for definitive Notes on and after the Exchange Date.]  
 [Permanent Global Note exchangeable for definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event]]  
*(Ensure that this is consistent with the wording in the "Form of the Notes" section in the Base Prospectus and the Notes themselves. N.B. The exchange upon notice/at any time options should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 6 includes language substantially to the following effect: "[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]." Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Note exchangeable for definitive Notes)*
25. New Global Note: [Yes/No]
26. Additional Financial Centre(s): [Not Applicable/[give details]]  
*(Note that this item relates to the place of payment and not Interest Period end dates to which item 17(iii) relates)*

27. Talons for future Coupons to be attached to definitive Notes (and dates on which such Talons mature): [Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made. The Talon will mature on the Specified Interest Payment Date falling on [month] [year] (insert the [25th] Specified Interest Payment Date)/No.]

## LISTING AND ADMISSION TO TRADING APPLICATION

These Final Terms comprise the final terms required for issue and admission to trading on the regulated market of Euronext Dublin of the Notes described herein pursuant to the €20,000,000,000 Euro Medium Term Note Programme of Fiat Chrysler Finance Europe *société en nom collectif* acting through its UK Branch as Issuer and Fiat Chrysler Automobiles N.V. as Issuer and Guarantor.

## RESPONSIBILITY

[Each of the] [The] Issuer [and the Guarantor] accept[s] responsibility for the information contained in these Final Terms. [[*Relevant third party information*] has been extracted from [ ]]. [Each of the] [The] Issuer [and the Guarantor] confirm[s] that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [ ], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By: .....  
*Duly authorised*

[Signed on behalf of the Guarantor:

By: .....  
*Duly authorised]*

## PART B – OTHER INFORMATION

### 2. LISTING AND ADMISSION TO TRADING

- (i) Listing: [Irish Stock Exchange plc trading as Euronext Dublin/(*specify*)/None]
- (ii) Admission to trading: [Application [has been]/[will be] made [to Euronext Dublin/(*specify*)] for the Notes to be admitted [to the Official List/ (*specify*) and trading on [its regulated market/ (*specify*)] on [ ] with effect from [ ].]  
[Not Applicable.]
- (iii) Estimate of total expenses related to admission to trading: [ ]

### 3. RATINGS

- Ratings: [The Notes to be issued [have been]/[are expected to be]/[have not been] rated[:][.].]  
[S&P: [ ]]  
[Moody's [ ]]  
[Fitch [ ]]

[[*EU established/EU-registered CRA*] is established in the [European Union/United Kingdom] and is registered under Regulation (EC) No. 1060/2009/EC (as amended, the “CRA Regulation”), and is included in the list of registered and certified credit ratings agencies published on the website of the European Securities and Markets Authority (“ESMA”) in accordance with the CRA Regulation. The ESMA’s website and its content do not form part of the Base Prospectus or of these Final Terms.]

[[*Non-EU established/EU-certified CRA*] is not established in the European Union but has been certified under the CRA Regulation and is included in the list of registered and certified credit rating agencies published on the web site of the ESMA. The ESMA’s website and its content do not form part of the Base Prospectus or these Final Terms.]

[[*Non-EU established CRA/non-EU certified CRA*] is not established in the European Union and is not registered or certified under the CRA Regulation.]

[*Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.*]

In general, and subject to certain exceptions, European regulated investors are restricted from using a credit rating for regulatory purposes if such credit rating is not issued by a credit rating agency established in the European Union and registered under the CRA Regulation.

Subject to the fulfilment of the conditions set out in Article 4(3) of the CRA Regulation, a credit rating agency established in the European Union and registered in accordance with the CRA Regulation (an “EU CRA”) may endorse (for regulatory purposes in the European Union) credit ratings issued outside the European Union where (i) the credit rating activities



resulting in the issuing of the credit rating are undertaken in whole or in part by a credit rating agency or credit rating agencies belonging to the same group (a “non-EU CRA”); and (ii) the EU CRA has verified and is able to demonstrate on an on-going basis to ESMA that the conduct of the credit rating activities by the non-EU CRA resulting in the issuing of the credit rating to be endorsed fulfils requirements which are “at least as stringent as” the requirements of the CRA Regulation.

[On *[date of decision]*, ESMA announced that it considers the regulatory framework for credit rating agencies established in *[country of non-EU established CRA/non-EU certified CRA]* to be “as stringent as” the requirements of the CRA Regulation. *[EU-established/EU-registered affiliate of non-EU established/non-EU certified CRA]* currently endorses credit ratings issued by *[non-EU established/non-EU certified CRA]* for regulatory purposes in the European Union. *[EU-established/EU-registered affiliate of non-EU established/non-EU certified CRA]* has been registered under the CRA Regulation and appears on the list of registered credit rating agencies on ESMA’s website. The ESMA’s website and its content do not form part of the Base Prospectus or of these Final Terms. There can be no assurance that *[EU-established/EU-registered affiliate of non-EU established/non-EU certified CRA]* will continue to endorse credit ratings issued by *[non-EU established/non-EU certified CRA]*.]

In addition, subject to the fulfilment of the conditions set out in Article 5 and elsewhere in the CRA Regulation, credit ratings that are related to entities established or financial instruments issued in countries outside the European Union and that are issued by a credit rating agency established in a country outside the European Union may only be used for regulatory purposes within the European Union without being endorsed under Article 4(3) of the CRA Regulation if (amongst other requirements) the European Commission has adopted an equivalence decision in accordance with Article 5(6) of the CRA Regulation, recognising the legal and supervisory framework of the relevant country as equivalent to the requirements of the CRA Regulation.

[On *[date of decision]*, the European Commission passed Implementing Decision *[decision number]* which provided that the legal and supervisory framework for credit rating agencies in *[country in which non-EU established / EU certified CRA is established]* shall be considered equivalent to the requirements of the CRA Regulation.]

*(The above disclosure should be amended to reflect (i) the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating; and/or (ii) the credit rating agency issuing the credit rating, in each case in accordance with the applicable requirements of the CRA Regulation.)*

#### 4. REASONS FOR THE OFFER AND ESTIMATED NET PROCEEDS

Reasons for the offer:

[ ]  
[See [“Use of Proceeds”] in [Base] Prospectus/Give details]

(See [“Use of Proceeds”] wording in [Base] Prospectus – if reasons for offer different from what is disclosed in the [Base] Prospectus, give details here.)

Estimated net proceeds: [ ]

## 5. NOTIFICATION

[The [name of competent authority in home member state] [has been requested to provide/has provided – include first alternative for an issue which is contemporaneous with the establishment or update of the Programme and the second alternative for subsequent issues] the [names of competent authorities of host member states] with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the provisions of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017.]

## 6. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Need to include a description of any interest, including a conflicting interest, that is material to the issue, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

“Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer [and the Guarantor] and [its/their] affiliates in the ordinary course of business”. [Amend as appropriate if there are other interests]

[(When adding any other description, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 23 of the Prospectus Regulation.)]

## 7. YIELD (Fixed Rate Notes only)

Indication of yield: [ ]

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

## 8. DISTRIBUTION

- (i) If syndicated, name of Managers: [Not Applicable/give names]
- (ii) Stabilising Manager(s) (if any): [Not Applicable/give name(s)]
- (iii) If non-syndicated, name of relevant Dealer: [Not Applicable/give name]
- (iv) U.S. selling restrictions: [Reg. S Compliance Category: 2]  
[TEFRA D/TEFRA C/TEFRA not applicable]
- (v) Prohibition of Sales to EEA and UK Retail Investors: [Applicable/Not Applicable]  
(If the Notes may constitute “packaged” products and no KID will be prepared, “Applicable” should be specified.)
- (vi) [Prohibition of Sales to Belgian Consumers: [Applicable/Not Applicable]]  
(Where the Prohibition of Sales to Belgian Consumers is specified to be “Not Applicable”, Belgian law advice should be sought in relation to the applicable Final Terms.)

## 9. OPERATIONAL INFORMATION

- (i) ISIN Code: [ ]
- (ii) Common Code: [ ]
- (iii) CMU Instrument Number: [Not Applicable/[ ]]
- (iv) CFI: [[See/[ ], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]
- (v) FISN: [[See/[ ], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]  
*(If the CFI and/or FISN is not required, requested or available, it /they should be specified to be “Not Applicable”)*
- (vi) Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking, S.A. and the relevant identification number(s): [The Notes will be cleared through the Central Moneymarkets Unit Service.]
- (vii) Delivery: Delivery [against/free of] payment
- (viii) Names and addresses of Paying Agent(s): [*give name(s) and address(es)*]
- (ix) Names and addresses of additional Paying Agent(s), if any: [Not Applicable/*give name(s) and address(es)*]
- (x) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with Euroclear or Clearstream as common safekeeper and does not necessarily mean that the Notes will be recognised 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.]/  
[No. Whilst the Notes 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 recognised 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.]

## TERMS AND CONDITIONS OF THE NOTES

*The following are the Terms and Conditions of the Notes which will be incorporated by reference into each Global Note (as defined below) and each definitive Note, in the latter case only if permitted by the relevant stock exchange (if any) and agreed by the relevant Issuer, the Guarantor (in case of Guaranteed Notes) and the relevant Dealer at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed thereon or attached thereto such Terms and Conditions. The applicable Final Terms in relation to any Tranche of Notes shall complete the following Terms and Conditions for the purpose of such Notes. The applicable Final Terms (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Note and definitive Note. Reference should be made to “Applicable Final Terms” for a description of the content of the Final Terms which will specify which of such terms are to apply in relation to the relevant Notes.*

This Note is one of a Series (as defined below) of Notes issued pursuant to the Agency Agreement (as defined below). References herein to the “Issuer” shall be references to the party specified as such in the applicable Final Terms (as defined below).

References herein to the “Notes” shall be references to the Notes of this Series and shall mean:

- (i) in relation to any Notes represented by a global Note (a “Global Note”), units of each Specified Denomination in the Specified Currency;
- (ii) any Global Note; and
- (iii) any definitive Notes issued in exchange for a Global Note.

The Notes and the Coupons (as defined below) have the benefit of an Amended and Restated Agency Agreement (such Amended and Restated Agency Agreement as amended and/or supplemented and/or restated from time to time, the “Agency Agreement”) dated March 27, 2020 and made between (*inter alia*) the Issuers, Fiat Chrysler Automobiles N.V. in its capacity as Guarantor (as defined below), Citibank, N.A., London office, as issuing and principal paying agent and agent bank (the “Principal Paying Agent”, which expression shall include any successor principal paying agent), and Citicorp International Limited as lodging and paying agent with respect to the CMU Notes (the “CMU Lodging and Paying Agent”, which expression shall include any successor lodging and paying agent) and the other paying agents named therein (together with the Principal Paying Agent and the CMU Lodging and Paying Agent, the “Paying Agents”, which expression shall include any additional or successor paying agents).

For the purposes of these Terms and Conditions (the “Conditions”), all references to the Principal Paying Agent shall, with respect to a Series of Notes to be held in the CMU Service (as defined below), be deemed to be a reference to the CMU Lodging and Paying Agent (other than in relation to the determination of interest and other amounts payable in respect of the Notes) and all such references shall be construed accordingly.

Interest bearing definitive Notes have interest coupons (“Coupons”) and, in the case of Notes which, when issued in definitive form, have more than 27 interest payments remaining, talons for further Coupons (“Talons”) attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Global Notes do not have Coupons or Talons attached on issue.

The Final Terms for this Note (or the relevant provisions thereof) are set out in Part A of the Final Terms attached to or endorsed on this Note and complete these Conditions and, in the case of a Note which is neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Regulation, may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Conditions, replace or modify these Conditions for the purpose of this Note. References to the “applicable Final Terms” are, unless otherwise stated, to Part A of the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Note.

The payment of all amounts in respect of Notes issued by Fiat Chrysler Finance Europe *société en nom collectif*, acting through its UK Branch (the “Guaranteed Notes”) shall be unconditionally and irrevocably guaranteed by Fiat Chrysler Automobiles N.V. (in such capacity, the “Guarantor”) pursuant to a guarantee (such guarantee as modified and/or supplemented and/or restated from time to time, the “Guarantee”) dated March 27, 2020 executed by the Guarantor. Under the Guarantee, Fiat Chrysler Automobiles N.V. has guaranteed the due and punctual payment of all amounts due under such Guaranteed Notes.

The original of the Guarantee is held by the Principal Paying Agent on behalf of the Noteholders and the Couponholders, in each case of the Guaranteed Notes, at its specified office. References herein to the Guarantor shall only be relevant where the Issuer is Fiat Chrysler Finance Europe *société en nom collectif*, acting through its UK Branch.

Any reference to “Noteholders” or “holders” in relation to any Notes shall mean the holders of the Notes and shall, in relation to any Notes represented by a Global Note, be construed as provided below.

Any reference herein to “Couponholders” shall mean the holders of the Coupons and shall, unless the context otherwise requires, include the holders of the Talons.

As used herein, “Tranche” means Notes which are identical in all respects (including as to listing) and “Series” means a Tranche of Notes together with any further Tranche or Tranches of Notes which (i) are expressed to be consolidated and form a single series and (ii) have the same terms and conditions or terms and conditions which are the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue.

The Noteholders and the Couponholders are entitled to the benefit of the deed of covenant (such deed of covenant as modified and/or supplemented and/or restated from time to time, the “Deed of Covenant”) dated March 27, 2020 and made (*inter alia*) by the Issuer. The original of the Deed of Covenant is held by the Common Depositary for Euroclear (as defined below) and Clearstream (as defined below).

Copies of the Agency Agreement, the Guarantee and the Deed of Covenant are available for inspection during normal business hours at the specified office of each of the Principal Paying Agent, the CMU Lodging and Paying Agent and the other Paying Agents (such agents being together referred to as the “Agents”). Copies of the applicable Final Terms are obtainable during normal business hours at the specified office of each of the Agents save that, if this Note is an unlisted Note of any Series, the applicable Final Terms will only be obtainable by a Noteholder holding one or more unlisted Notes of that Series, and such Noteholder must produce evidence satisfactory to the Issuer and the relevant Agent as to its holding of such Notes and identity. The Noteholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement, the Guarantee (where applicable), the Deed of Covenant and the applicable Final Terms which are applicable to them. The statements in these Conditions include summaries of, and are subject to, the detailed provisions of the Agency Agreement.

Words and expressions defined in the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated; provided that, in the event of inconsistency between the Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

In these Conditions, “euro” means the currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty on the Functioning of the European Union, as amended.

## **1. FORM, DENOMINATION AND TITLE**

The Notes are in bearer form and, in the case of definitive Notes, serially numbered, in the Specified Currency and the Specified Denomination(s). Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination.

This Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note or a combination of any of the foregoing, depending upon the Interest Basis specified in the applicable Final Terms.

Definitive Notes are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in these Conditions are not applicable.

Subject as set out below, title to the Notes and Coupons will pass by delivery. The Issuer, the Guarantor (where applicable) and any Agent will (except as otherwise required by law) deem and treat the bearer of any Note or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear Bank SA/NV (“Euroclear”) and/or Clearstream Banking S.A. (“Clearstream”), and/or the Hong Kong Monetary Authority

("HKMA") as operator of the Central Moneymarkets Unit Service (the "CMU Service" or "CMU"), each person (other than Euroclear, Clearstream, or the CMU Service) who is for the time being shown in the records of Euroclear, of Clearstream or of the CMU Service as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear, Clearstream or the CMU Service as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Guarantor (where applicable) and the Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Global Note shall be treated by the Issuer, the Guarantor (where applicable) and any Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions "Noteholder" and "holder of Notes" and related expressions shall be construed accordingly. Payment in respect of Notes represented by a Global Note will only be made, in accordance with the rules and procedures for the time being of Euroclear, Clearstream or the CMU Service, as the case may be.

Notwithstanding the above, if a Note (whether in global or definitive form) is held through the CMU Service, any payment that is made in respect of such Note shall be made at the direction of the bearer to the person(s) for whose account(s) interests in such Note are credited as being held through the CMU Service in accordance with prevailing CMU rules and procedures at the relevant time as notified to the CMU Lodging and Paying Agent by the CMU Service in a relevant "CMU Instrument Position Report" (as defined in the rules of the CMU Service) or any other relevant notification by the CMU Service (which notification, in either case, shall be conclusive evidence of the records of the CMU Service as to the identity of any accountholder and the principal amount of any Note credited to its account, save in the case of manifest error) and such payments shall discharge the obligation of the relevant Issuer in respect of that payment under such Note.

Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream or the CMU Service, as the case may be. References to Euroclear, Clearstream and/or the CMU Service shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in Part B of the applicable Final Terms.

## 2. STATUS OF THE NOTES AND THE GUARANTEE

- (a) **Status of the Notes:** The Notes and any related Coupons are direct, unconditional, unsubordinated and (subject to the provisions of Condition 3) unsecured obligations of the Issuer and (subject as aforesaid) rank and will rank *pari passu* without any preference among themselves, with all other present and future outstanding unsubordinated and unsecured obligations of the Issuer (subject to mandatorily preferred obligations under applicable laws).
- (b) **Status of the Guarantee:** The payment of principal and interest in respect of the Guaranteed Notes and any related Coupons has been irrevocably and unconditionally guaranteed by the Guarantor pursuant to the Guarantee. The obligations of the Guarantor under the Guarantee constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 3) unsecured obligations of the Guarantor and (subject as aforesaid) rank and will rank *pari passu* (subject to mandatorily preferred obligations under applicable laws) with all other present and future outstanding unsecured and unsubordinated obligations of the Guarantor.

## 3. NEGATIVE PLEDGE

**Negative Pledge:** So long as any of the Notes remains outstanding (as defined in the Agency Agreement) neither the Issuer nor the Guarantor (where applicable) will (unless previously authorised by an Extraordinary Resolution (as defined in the Agency Agreement) of the Noteholders) create or have outstanding any mortgage, charge, pledge, lien, encumbrance or other security interest ("Lien") (other than a Permitted Lien) upon the whole or any part of its undertaking or assets (including uncalled capital), present or future, to secure any Quoted Indebtedness (as defined below) or any Qualifying Guarantee of such Quoted Indebtedness, unless in any such case the same security (or such other security as may be approved by an Extraordinary Resolution of the Noteholders) shall forthwith be extended equally and rateably to the Notes (or, in the case of a Lien securing any Quoted Indebtedness that is subordinated or junior in right of payment to the Notes or the Guarantee (where applicable), secured by a Lien on such property, assets or proceeds that is senior in priority to such Lien).

For the purpose of these Conditions and the Guarantee (where applicable):

- (i) the “FCA Group” means Fiat Chrysler Automobiles N.V. and its direct and indirect subsidiaries consolidated in accordance with International Financial Reporting Standards as issued by the IASB, including all interpretations issued by the IFRS Interpretations Committee (“IFRS”) as adopted by the European Union; and
- (ii) “Financial Services Subsidiary” means a subsidiary of FCA:
  - (A) which carries on no material business other than the offer and sale of financial services products to customers of Members of the FCA Group (and other related support activities incidental to the offer and sale of such financial services products including, without limitation, input financing and the purchase and sale of equipment in connection with eqpower.com and rental business activities) in any of the following areas:
    - (1) retail financing for the purchase, contract hire or lease of new or old equipment manufactured by a Member of the FCA Group or any other manufacturer whose products are from time to time sold through the dealer network of a Member of the FCA Group;
    - (2) other retail and wholesale financing programmes reasonably related thereto, including, without limitation, financing to the dealer network of any Member of the FCA Group;
    - (3) insurance and credit card products and services reasonably related thereto, together with the underwriting, marketing, servicing and other related support activities incidental to the offer and sale of such financial services products; and
    - (4) licensed banking activities; or
  - (B) a holding company of a Financial Services Subsidiary which carries on no material business or activity other than holding shares in that Financial Services Subsidiary and/or activities described in paragraph (A) above;
- (iii) “Indebtedness” means any indebtedness (whether principal, premium or interest) for or in respect of (A) any notes, bonds, debenture stock, loan stock or other securities, (B) any Loan Financing, or (C) any liability under or in respect of any banker’s acceptance or banker’s acceptance credit; *provided*, that (x) Indebtedness of a Member of the FCA Group to any other Member of the FCA Group and (y) Indebtedness that qualifies as Non-recourse Securitisation Debt shall, in each case, not be deemed to be Indebtedness for purposes of this Condition 3 or any other purpose of these Conditions or the Guarantee (where applicable);
- (iv) “Industrial Subsidiary” means each subsidiary of FCA other than a Financial Services Subsidiary;
- (v) “Loan Financing” means any money borrowed from (A) a bank, financial institution, hedge fund, pension fund, or insurance company or (B) any other entity having as its principal business the lending of money and/or investing in loans, in each case other than public or quasi-public entities or international organisations with a public or quasi-public character;
- (vi) “Member of the FCA Group” means each of Fiat Chrysler Automobiles N.V. and any direct or indirect subsidiaries it fully consolidates on a line-by-line basis in accordance with IFRS as adopted by the European Union;
- (vii) “Non-recourse Securitisation” means any securitisation, asset backed financing or transaction having similar effect under which an entity (or entities in related transactions) on commercially reasonable terms:
  - (A) acquires receivables for principally cash consideration or uses existing receivables; and

(B) issues any notes, bonds, commercial paper, loans or other securities (whether or not listed on a recognised stock exchange) to fund the purchase of or otherwise backed by those receivables and/or any shares or other interests referred to in Condition 3(ix)(C)(2) and the payment obligations in respect of such notes, bonds, commercial paper, loans or other securities:

- (1) are secured on those receivables; and
- (2) are not guaranteed by any Member of the FCA Group (other than as a result of any Lien which is granted by any Member of the FCA Group as permitted by Condition 3(ix)(C)(2) or as to the extent of any Standard Securitisation Undertakings);

(viii) “Non-recourse Securitisation Debt” means any Indebtedness incurred by a Securitisation Entity pursuant to a securitisation of receivables where the recourse in respect of that Indebtedness to the Issuer or the Guarantor (where applicable) is limited to:

(A) those receivables and/or related insurance and/or any Standard Securitisation Undertakings; and

(B) if those receivables comprise all or substantially all of the business or assets of such Securitisation Entity, the shares or other interests of any Member of the FCA Group in such Securitisation Entity, *provided* that any Indebtedness not qualifying as Non-recourse Securitisation Debt solely because the extent of recourse to any Member of the FCA Group with respect to such Indebtedness is greater than that provided in clauses (A) and (B) above shall only not qualify as Non-recourse Securitisation Debt with respect to the extent of such additional recourse;

(ix) “Permitted Liens” means:

(A) Liens existing on the Issue Date; or

(B) Liens arising by operation of law, by contract having an equivalent effect, from rights of set-off arising in the ordinary course of business between either the Issuer or the Guarantor (where applicable) and any of their respective suppliers or customers, or from rights of set-off or netting arising by operation of law (or by contract having similar effect) by virtue of the provision to the Issuer or the Guarantor (where applicable) of clearing bank facilities or overdraft facilities; or

(C) any Lien over:

- (1) the receivables of a Securitisation Entity (and any bank account to which such proceeds are deposited) which are subject to a Non-recourse Securitisation as security for Non-recourse Securitisation Debt raised by such Securitisation Entity in respect of such receivables; and/or
- (2) the shares or other interests owned by any Member of the FCA Group in any Securitisation Entity as security for Non-recourse Securitisation Debt raised by such Securitisation Entity *provided* that the receivables or revenues which are the subject of the relevant Non-recourse Securitisation comprise all or substantially all of the business of such Securitisation Entity; or

(D) any Liens on assets acquired by a Member of the FCA Group after the Issue Date, *provided* that (i) such Lien was existing or agreed to be created at or before the time the relevant asset was acquired by a Member of the FCA Group, (ii) such Lien was not created in contemplation of such acquisition, and (iii) the principal amount then secured does not exceed the principal amount of the committed financing then secured (whether or not drawn), with respect to such assets at the time the relevant asset was acquired by a Member of the FCA Group; or



(E) any Lien created to secure all or any part of the purchase price, or to secure Quoted Indebtedness incurred or assumed to pay all or any part of the purchase price or cost of construction, of property (or any improvement thereon) acquired or constructed by the Issuer or the Guarantor (where applicable) after the Issue Date, provided, that (i) any such Lien shall extend solely to the item or items of property (or improvement thereon) so acquired or constructed and (ii) the principal amount of Quoted Indebtedness secured by any such Lien shall at no time exceed an amount equal to the fair market value of such property (or any improvement thereon) at the time of such acquisition or construction; or

(F) any Lien securing Quoted Indebtedness incurred to refinance other indebtedness itself secured by a Lien included in clauses (A), (B), (D) or (E) above, but only if the principal amount of the Quoted Indebtedness is not increased and only the same assets are secured as were secured by the prior Lien; or

(G) any Lien provided in favour of any bank or governmental (central or local), intergovernmental or supranational body, agency, department or other authority securing any Quoted Indebtedness of the Issuer or the Guarantor (where applicable) under a loan scheme operated by (or on behalf of) Banco Nacional de Desenvolvimento Economico e Social, Finame, Banco de Minas Gerais, a member country of the OECD, Argentina, Brazil, China, India, South Africa or any supranational entity (such as the European Bank for Reconstruction and Development or the International Finance Corporation) where the provision of such Lien is required for the relevant loan; or

(H) (i) any Lien created on the shares of capital stock of a subsidiary, and (ii) any Lien created on the assets of a subsidiary of the type described in Condition 3(ix)(E) other than shares of capital stock of a subsidiary;

- (x) “Qualifying Guarantee” means a direct or indirectly guarantee in respect of any Indebtedness or a direct or indirect indemnity against the consequences of a default in the payment of any Indebtedness, other than, in each case, by endorsement of negotiable instruments, letters of credit or reimbursement agreements in the ordinary course of business;
- (xi) “Quoted Indebtedness” means any indebtedness in the form of, or represented by, bonds, notes, debentures, loan stock or other securities and which at the time of issue is, or is capable of being, quoted, listed or ordinarily dealt in on any stock exchange or over-the-counter market or other securities market (whether or not initially distributed by means of a private placement);
- (xii) “Securitisation Entity” means any special purpose vehicle created for the sole purpose of carrying out, or otherwise used solely for the purpose of carrying out a Non-recourse Securitisation or any other Industrial Subsidiary which is effecting Non-recourse Securitisations; and
- (xiii) “Standard Securitisation Undertakings” means representations, warranties, covenants and indemnities entered into by any Member of the Group from time to time which are customary in relation to Non-recourse Securitisations, including any performance undertakings with respect to servicing obligations or undertakings with respect to breaches of representations or warranties.

#### 4. INTEREST

- (a) **Interest on Fixed Rate Notes:** Each Fixed Rate Note bears interest from and including the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest payable in arrears on the Interest Payment Date(s) in each year and on the Maturity Date if that does not fall on an Interest Payment Date.

If the Notes are in definitive form except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

Except in the case of Notes in definitive form where a Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms, interest shall be calculated in respect of any period by applying the Rate of Interest to:

- (i) in the case of Fixed Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Fixed Rate Notes represented by such Global Note; or
- (ii) in the case of Fixed Rate Notes in definitive form, the Calculation Amount,

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise rounded in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

In these Conditions:

“Day Count Fraction” means, in respect of the calculation of an amount of interest, in accordance with this Condition 4(a):

- (i) if “Actual/Actual (ICMA)” is specified in the applicable Final Terms:
  - (A) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the “Accrual Period”) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or
  - (B) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
    - (1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; and
    - (2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year;
- (ii) if “**30/360**” is specified in the applicable Final Terms, the number of days in the period from and including the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to but excluding the relevant payment date (such number of days being calculated on the basis of 12 30-day months) divided by 360; and
- (iii) if “**Actual/365 (Fixed)**” is specified in the applicable Final Terms, the actual number of days in the Fixed Interest Period divided by 365;

“Determination Period” means each period from (and including) a Determination Date to but excluding the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

“Fixed Interest Period” means the period from (and including) an Interest Payment Date or the Interest Commencement Date to (but excluding) the next (or first) Interest Payment Date; and “sub-unit” means with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means one cent.

(b) **Interest on Floating Rate Notes:**

(i) *Interest Payment Dates:* Each Floating Rate Note bears interest from (and including) the Interest Commencement Date and such interest will be payable in arrears on either:

(A) the Specified Interest Payment Date(s) (each an “Interest Payment Date”) in each year specified in the applicable Final Terms; or

(B) if no express Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each an “Interest Payment Date”) which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period (which expression shall, in these Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date).

If a “Business Day Convention” is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

(A) in any case where Specified Periods are specified in accordance with Condition 4(b)(i)(B) above, the “**Floating Rate Convention**”, such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply *mutatis mutandis*; or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (1) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (2) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or

(B) the “**Following Business Day Convention**”, such Interest Payment Date shall be postponed to the next day which is a Business Day; or

(C) the “**Modified Following Business Day Convention**”, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or

(D) the “**Preceding Business Day Convention**”, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In these Conditions, “Business Day” means a day which is both:

(A) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and any Additional Business Centre (other than TARGET2 System) specified in the applicable Final Terms;

(B) if TARGET2 System is specified as an Additional Business Centre in the applicable Final Terms, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System (the “TARGET2 System”) is open; and

(C) either (1) in relation to any sum payable in a Specified Currency other than euro or Renminbi, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than London and any Additional Business Centre and which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney or Auckland, respectively); or (2) in relation to any sum payable in euro, a day on which the TARGET2 System is open; or (3) in relation to any sum payable in Renminbi, a day (other than a Saturday, Sunday or public holiday) on which commercial banks and foreign exchange markets in Hong Kong are open for general business and settlement of payments in Renminbi.

(ii) *Rate of Interest:* The Rate of Interest payable from time to time in respect of Floating Rate Notes will be determined in the manner specified in the applicable Final Terms.

(A) ISDA Determination for Floating Rate Notes Where “ISDA Determination” is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this sub-paragraph (A), “ISDA Rate” for an Interest Period means a rate equal to the Floating Rate that would be determined by the Principal Paying Agent under an interest rate swap transaction if the Principal Paying Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2000 ISDA Definitions, as amended and updated as at the Issue Date of the first Tranche of the Notes, published by the International Swaps and Derivatives Association, Inc. (the “ISDA Definitions”) and under which:

- (1) the Floating Rate Option is as specified in the applicable Final Terms;
- (2) the Designated Maturity is a period specified in the applicable Final Terms; and
- (3) the relevant Reset Date is the day specified in the applicable Final Terms.

For the purposes of this sub-paragraph (A), “Floating Rate”, “Calculation Agent”, “Floating Rate Option”, “Designated Maturity” and “Reset Date” have the meanings given to those terms in the ISDA Definitions.

Unless otherwise stated in the applicable Final Terms, the Minimum Rate of Interest shall be deemed to be zero.

(B) Screen Rate Determination for Floating Rate Notes Where “Screen Rate Determination” is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate (being either LIBOR, EURIBOR or CNH HIBOR, as specified in the applicable Final Terms) which appears on the Relevant Screen Page as at 11:00 a.m. (London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) or at approximately 11:15 a.m. (Hong Kong time) or if, at or around that time it is notified that the fixing will be published at 2:30 p.m. (Hong Kong time), then as of 2:30 p.m. (Hong Kong time) (in the case of CNH HIBOR) (such time, the “Specified Time”) on the Interest Determination Date in question plus or minus

(as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Principal Paying Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Principal Paying Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

The Agency Agreement provides that, if the Relevant Screen Page is not available or if, in the case of (1) above, no offered quotation appears or, in the case of (2) above, fewer than three offered quotations appear, in each case as at the Specified Time, the Principal Paying Agent shall request the principal London office of each of the Reference Banks in the London inter-bank market (in the case of a determination of LIBOR), the principal Euro-zone office of each of the Reference Banks in the Euro-zone inter-bank market (in the case of a determination of EURIBOR), or the principal Hong Kong office of four major banks “dealing in Renminbi” in the Hong Kong inter-bank market (in the case of a determination of CNH HIBOR) to provide the Principal Paying Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Specified Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Principal Paying Agent with offered quotations, the Rate of Interest for the Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of the offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Principal Paying Agent.

The Agency Agreement further provides that, if on any Interest Determination Date one only or none of the Reference Banks provides the Principal Paying Agent with an offered quotation as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Principal Paying Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Principal Paying Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Specified Time on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the London inter-bank market (if the Reference Rate is LIBOR), the Eurozone inter-bank market (if the Reference Rate is EURIBOR) or the principal Hong Kong office of four major banks dealing in Renminbi in the Hong Kong inter-bank market (if the Reference Rate is CNH HIBOR), in each case selected by the Principal Paying Agent or as specified in the applicable Final Terms, plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Principal Paying Agent with offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the Specified Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the relevant Issuer suitable for the purpose) informs the Principal Paying Agent it is quoting to leading banks in the London inter-bank market (if the Reference Rate is LIBOR), the Eurozone inter-bank market (if the Reference Rate is EURIBOR) or the principal Hong Kong office of four major banks dealing in Renminbi in the Hong Kong inter-bank market (if the Reference Rate is CNH HIBOR), in each case selected by the Principal Paying Agent or as specified in the applicable Final Terms, plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (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).

Unless otherwise stated in the applicable Final Terms, the Minimum Rate of Interest shall be deemed to be zero.

- (iii) *Minimum and/or maximum Rate of Interest:* If the applicable Final Terms specify a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms specify a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

- (iv) *Determination of Rate of Interest and calculation of Interest Amounts:* The Principal Paying Agent will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The Principal Paying Agent will calculate the amount of interest (the “Interest Amount”) payable on the Floating Rate Notes for the relevant Interest Period by applying the Rate of Interest to:

(A) in the case of Floating Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note; or

(B) in the case of Floating Rate Notes in definitive form, the Calculation Amount,

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Note in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

“Day Count Fraction” means, in respect of the calculation of an amount of interest for any Interest Period:

(A) if “Actual/365” or “Actual/Actual” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);

(B) if “Actual/365 (Fixed)” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;

(C) if “Actual/365 (Sterling)” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;

(D) if “Actual/360” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;

(E) if “30/360”, “360/360” or “Bond Basis” is specified in the applicable Final Terms, the number of days in the Interest 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 (a) the last day of the Interest Period is the 31st day of a month but the first day of the Interest 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 (b) the last day of the Interest 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)); and

(F) if “30E/360” or “Eurobond Basis” is specified in the applicable Final Terms, the number of days in the Interest 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 Interest Period unless, in the case of an Interest Period ending on the Maturity Date, 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).

- (v) *Linear Interpolation*: Where Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable in the applicable Final Terms) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the applicable Final Terms), one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period provided however that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Principal Paying Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

As used herein:

“Designated Maturity” means, in relation to Screen Rate Determination, the period of time designated in the Reference Rate.

- (vi) *Notification of Rate of Interest and Interest Amounts*: The Principal Paying Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and any stock exchange on which the relevant Floating Rate Notes are for the time being listed with notice thereof to be published in accordance with Condition 13 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Floating Rate Notes are for the time being listed and to the Noteholders in accordance with Condition 13. For the purposes of this paragraph, the expression “London Business Day” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.
- (vii) *Certificates to be final*: All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4(b) by the Principal Paying Agent shall (in the absence of wilful default, bad faith, negligence or manifest error) be binding on the Issuer, the Guarantor (where applicable), the Principal Paying Agent, the other Agents and all Noteholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the Guarantor (where applicable), the Noteholders or the Couponholders shall attach to the Principal Paying Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(c) **Benchmark Event:**

Notwithstanding the provisions of Condition 4(b) above, if a Benchmark Event occurs in relation to an Original Reference Rate, then the following provisions shall apply:

- (i) the Issuer shall use reasonable endeavours to appoint an Independent Adviser (as defined below), as soon as reasonably practicable, to determine (without any requirement for the consent or approval of the Noteholders) a Successor Rate, failing which an Alternative Rate and, in either case, an Adjustment Spread (if any) and any Benchmark Amendments (each as defined and as further described below).
- (ii) An Independent Adviser appointed pursuant to this Condition 4(c) shall act in good faith and in a commercially reasonable manner as an expert and in consultation with the Issuer, and (in the absence of bad faith, fraud or negligence) shall have no liability whatsoever to the Paying Agents, the Noteholders or the Couponholders for any determination made by it pursuant to this Condition 4(c).
- (iii) If the Independent Adviser determines that:
  - (A) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 4(c)(v)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 4(c)); or
  - (B) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 4(c)(v)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 4(c)).
- (iv) If (i) the Issuer is unable to appoint an Independent Adviser; or (ii) the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 4(c) prior to the relevant Interest Determination Date, the Rate of Interest applicable to the next succeeding Interest Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Period. If there has not been a first Interest Payment Date, the Rate of Interest shall be the initial Rate of Interest. Where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Period shall be substituted in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Period. For the avoidance of doubt, this Condition 4(c) shall apply to the relevant next succeeding Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 4(c).
- (v) *Adjustment Spread:* If the Independent Adviser determines (i) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and (ii) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate (as the case may be). If the Independent Adviser is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then the Successor Rate or the Alternative Rate (as applicable) will apply without an Adjustment Spread.
- (vi) *Benchmark Amendments:* If any Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 4(c) and the Independent Adviser determines (i) that amendments to these Conditions are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the “**Benchmark Amendments**”) and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 4(c)(vii), without any requirement for the



consent or approval of Noteholders, vary these Conditions to give effect to such Benchmark Amendments with effect from the date specified in such notice.

In connection with any such variation in accordance with this Condition 4(c)(vi), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

- (vii) *Notice:* Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments determined under this Condition 4(c) will be notified promptly by the Issuer to the Agents and, in accordance with Condition 13, the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.
- (viii) *Survival of Original Reference Rate:* Without prejudice to the obligations of the Issuer under this Condition 4(c), the Original Reference Rate and the fall-back provisions provided for in Condition 4(b) will continue to apply unless and until a Benchmark Event has occurred.
- (ix) *Definitions:* For the purposes of this Condition 4(c), the following terms shall have the following meanings:

“Adjustment Spread” means either a spread (which may be positive or negative), or the formula or methodology for calculating a spread, in either case, which the Independent Adviser determines is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders and Couponholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- a. in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate);
- b. the Independent Adviser determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); (or if the Issuer determines that no such industry standard is recognised or acknowledged); or
- c. the Independent Adviser determines (acting in good faith and in a commercially reasonable manner) to be appropriate.

“Alternative Rate” means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with Condition 4(c)(iii) is customary in market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) in the same Specified Currency as the Notes, or, if the Independent Adviser determines there is no such rate, such other rate as the Independent Adviser acting in good faith and a commercially reasonable manner determines is most comparable to the Original Reference Rate.

“Benchmark Amendments” has the meaning given to it in Condition 4(c)(vi).

“Benchmark Event” means:

- a. the Original Reference Rate ceasing to be published for a period of at least 5 Business Days or ceasing to exist; or
- d. a public statement by the administrator of the Original Reference Rate that it will, by a specified date within the following six months, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no

successor administrator has been appointed that will continue publication of the Original Reference Rate); or

- e. a public statement by the supervisor of the administrator of the Original Reference Rate, that the Original Reference Rate has been or will, by a specified date within the following six months, be permanently or indefinitely discontinued; or
- f. a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Notes, in each case within the following six months; or
- g. it has become unlawful for any Agent or the Issuer to calculate any payments due to be made to any Noteholder using the Original Reference Rate.

“Independent Adviser” means an independent financial institution of international repute or an independent financial adviser with appropriate expertise selected and appointed by the Issuer at its own expense under Condition 4(c)(i).

“Original Reference Rate” means the originally-specified benchmark or screen rate (as applicable) used to determine the Rate of Interest (or any component part thereof) on the Notes.

“Relevant Nominating Body” means, in respect of a benchmark or screen rate (as applicable):

- a. the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- b. any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof.

“Successor Rate” means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

- (d) **Accrual of interest:** Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:
  - (i) the date on which all amounts due in respect of such Note have been paid; and
  - (ii) the date on which the full amount of the monies payable in respect of such Note has been received by the Principal Paying Agent, and notice to that effect has been given to the Noteholders in accordance with Condition 13.

## 5. PAYMENTS

- (a) Method of payment:

Subject as provided below:

- (i) payments in a Specified Currency other than euro and Renminbi will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Auckland, respectively);
- (ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque; and
- (iii) payments in Renminbi will be made by a transfer to a Renminbi account maintained by or on behalf of the payee with a bank in Hong Kong.

Without prejudice to the provisions of Condition 7, payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, including (without limitation) any obligations pursuant to such laws or regulations to make a withholding or deduction for or on account of any taxes, duties or assessments of whatever nature, and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the “Code”) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, the regulations thereunder, any official interpretations thereof, or any agreement, law, regulation or other official guidance implementing an intergovernmental approach thereto.

- (b) **Presentation of definitive Notes and Coupons:** Payments of principal in respect of definitive Notes will (subject as provided below) be made in the manner provided in paragraph (a) above only (i) in the case of a definitive Note not held in the CMU Service, against presentation and surrender of definitive Notes, and payments of interest in respect of definitive Notes will (subject as provided below) be made as aforesaid only against presentation and surrender of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America or its possessions) or (ii) in the case of a definitive Note held in the CMU Service, to the person(s) for whose account(s) interest in the relevant definitive Note are credited as being held with the CMU Service in accordance with the prevailing CMU rules and procedures at the relevant time as notified to the CMU Lodging and Paying Agent by the CMU Service in a relevant CMU Instrument Position Report or any relevant notification by the CMU Service, which notification shall be conclusive evidence of the records of the CMU Service (save in the case of manifest error) and payment made in accordance thereof shall discharge the obligations of the Issuer in respect of that payment.

Fixed Rate Notes in definitive form not held in the CMU Service (other than Long Maturity Notes (as defined below)) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 7) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 8) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note or Long Maturity Note in definitive form not held in the CMU Service becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A “Long Maturity Note” is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Note shall cease to be a Long Maturity Note on the Interest Payment

Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

If the due date for redemption of any definitive Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant definitive Note.

- (c) **Payments in respect of Global Notes:** Payments of principal and interest (if any) in respect of Notes represented by any Global Note will (subject as provided below) be made in the manner specified above in relation to definitive Notes and otherwise in the manner specified in the relevant Global Note (i) in the case of a Global Note lodged with the CMU Service, to the person(s) for whose account(s) interests in the relevant Global Note are credited as being held by the CMU Service in accordance with the prevailing CMU rules and procedures at the relevant time as notified to the CMU Lodging and Paying Agent by the CMU Service in a relevant CMU Instrument Position Report or any relevant notification by the CMU, which notification shall be conclusive evidence of the records of the CMU Service (save in the case of manifest error) and payment made in accordance thereof shall discharge the obligations of the Issuer in respect of that payment, or (ii) in the case of a Global Note not lodged with the CMU Service, where applicable, against presentation or surrender, as the case may be, of such Global Note at the specified office of any Paying Agent outside the United States. A record of each payment made, distinguishing between any payment of principal and any payment of interest, will be made either on such Global Note by the Paying Agent to which it was presented or in the records of Euroclear and Clearstream, as applicable.
- (d) **General provisions applicable to payments:** The holder of a Global Note (if the Global Note is not lodged with the CMU Service) or (if the Global Note is lodged with the CMU Service) the person(s) for whose account(s) interests in such Global Note are credited as being held through the CMU in accordance with the prevailing CMU rules and procedures as notified to the CMU Lodging and Paying Agent by the CMU in a relevant CMU Instrument Position Report or any other relevant notification by CMU (which notification, in either case, shall be conclusive evidence of the records of the CMU save in the case of manifest error), shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer or, as the case may be, the Guarantor (where applicable) will be discharged by payment to, or to the order of, the holder of such Global Note or such other person(s) for whose account(s) interests in such Global Note are credited as being held in the CMU Service, as the case may be, in respect of each amount so paid. Each of the persons shown in the records of Euroclear, Clearstream or the CMU Service as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear, Clearstream or the CMU Service as the case may be, for his share of each payment so made by the Issuer or, as the case may be, the Guarantor (where applicable) to, or to the order of, the holder of such Global Note.

Notwithstanding the foregoing provisions of this Condition, if any amount of principal and/or interest in respect of Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Notes will be made at the specified office of a Paying Agent in the United States if: (i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Notes in the manner provided above when due; (ii) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and (iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer and the Guarantor (where applicable), adverse tax consequences to the Issuer or the Guarantor (where applicable).

- (e) **Payment Day:** If the date for payment of any amount in respect of any Note or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment 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 Day" means any day which (subject to Condition 8) is:
- (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:

(A) in the case of Notes in definitive form only, the relevant place of presentation;

(B) each Additional Financial Centre (other than TARGET2 System) specified in the applicable Final Terms;

(C) in the case of CMU Notes, Hong Kong; and

(D) if TARGET2 System is specified as an Additional Financial Centre in the applicable Final Terms, a day on which the TARGET2 System is open; and

- (ii) either (1) in relation to any sum payable in a Specified Currency other than euro or Renminbi, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than the place of presentation and any Additional Financial Centre and which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney or Auckland, respectively); (2) in relation to any sum payable in euro, a day on which the TARGET2 System is open; or (3) in relation to any sum payable in Renminbi, a day on which commercial banks and foreign exchange markets in Hong Kong are open for general business and settlement of payments in Renminbi.
- (f) **Interpretation of principal and interest:** Any reference in these Conditions to principal in respect of the Notes shall be deemed to include, as applicable:
- (i) any additional amounts which may be payable with respect to principal under Condition 7;
  - (ii) the Final Redemption Amount of the Notes;
  - (iii) the Early Redemption Amount of the Notes;
  - (iv) the Optional Redemption Amount(s) (if any) of the Notes;
  - (v) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 6(f)(iii)); and
  - (vi) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in these Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 7.

- (g) **Payment of Alternative Currency Equivalent:** Notwithstanding the foregoing, where Alternative Currency Equivalent is specified in the applicable Final Terms as being applicable to a Series of Notes, if by reason of Inconvertibility, Non-transferability or Illiquidity the relevant Issuer or, in the case of Guaranteed Notes, the Guarantor, as the case may be, is unable to satisfy payments of principal or interest in respect of Notes when due in the Specified Currency, the relevant Issuer or, in the case of Guaranteed Notes, the Guarantor, as the case may be, shall, on giving to Noteholders, in accordance with Condition 13, not less than five nor more than 30 days' irrevocable notice prior to the due date for payment that it will make payment in the Alternative Currency, settle any such payment in the Alternative Currency on the due date at the Alternative Currency Equivalent of any such amount. Any payment made in the Alternative Currency under such circumstances will constitute valid payment in satisfaction of the relevant Issuer's or Guarantor's (as the case may be) obligations for such payment, and will not constitute a default in respect of the Notes. Notwithstanding the foregoing, if the relevant Inconvertibility, Non-transferability or Illiquidity event occurs within five days before the relevant due date for payment then such notice shall be given as soon as practicable and whether on or prior to the due date for payment.

As used herein:

“Alternative Currency” means the currency specified as such in the applicable Final Terms (or any lawful successor currency to that currency);

“Alternative Currency Calculation Agent” means (i) in the case of CMU Notes denominated in Renminbi, Citicorp International Limited (or any lawful successor thereto) unless otherwise specified in the applicable Final Terms; and (ii) in the case of all other Notes, the Alternative Currency Calculation Agent specified in the applicable Final Terms (or any lawful successor thereto);

“Alternative Currency Equivalent” means in respect of an amount denominated in the Specified Currency such amount converted into the Alternative Currency using the Spot Rate or, where the Specified Currency is Renminbi and the Alternative Currency is U.S. dollars, the RMB Spot Rate, in each case for the relevant Rate Calculation Date, all as determined by the Alternative Currency Calculation Agent;

“Governmental Authority” means any *de facto* or *de jure* government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of the Specified Currency Jurisdiction;

“Illiquidity” means, with respect to the payment of any sum, foreign exchange markets for the Specified Currency becoming illiquid as a result of which it is impossible (as determined by the relevant Issuer or, in the case of Guaranteed Notes, the Guarantor, acting in good faith and in a commercially reasonable manner (and in the case of Notes denominated in Renminbi, following consultation with two independent foreign exchange dealers of international repute active in the Renminbi exchange market in Hong Kong reasonably selected by the relevant Issuer or (in the case of Guaranteed Notes) the Guarantor, as the case may be)), or commercially impracticable for the relevant Issuer or (in the case of Guaranteed Notes) the Guarantor, as the case may be, to obtain a sufficient amount of the Specified Currency in order to satisfy its obligation to pay such sum in respect of the Notes or (in the case of Guaranteed Notes) under the Guarantee, as the case may be;

“Inconvertibility” means, with respect to the payment of any sum, the occurrence of any event that makes it impossible or commercially impracticable for the relevant Issuer, or (in the case of Guaranteed Notes) the Guarantor, as the case may be, to convert any amount due in the foreign exchange markets for the Specified Currency, other than where such impossibility or impracticability is due solely to the failure of the relevant Issuer, or (in the case of Guaranteed Notes) the Guarantor, as the case may be, to comply with any law, rule or regulation enacted by any relevant Governmental Authority (unless such law, rule or regulation becomes effective on or after the date on which agreement is reached to issue the first Tranche of a Series of Notes and it is impossible or commercially impracticable for the relevant Issuer, or (in the case of Guaranteed Notes) the Guarantor, as the case may be, due to an event beyond its control, to comply with such law, rule or regulation);

“Non-deliverable Spot Rate Screen Page” means the relevant screen page specified as such in the applicable Final Terms;

“Non-transferability” means, with respect to the payment of any sum, the occurrence of any event that makes it impossible or commercially impracticable for the relevant Issuer or (in the case of Guaranteed Notes) the Guarantor, as the case may be, to transfer the Specified Currency in respect of such sum between accounts inside the Specified Currency Jurisdiction or between an account inside the Specified Currency Jurisdiction and an account outside the Specified Currency Jurisdiction, other than where such impossibility or impracticability is due solely to the failure of the relevant Issuer or (in the case of Guaranteed Notes) the Guarantor, as the case may be, to comply with any law, rule or regulation enacted by any relevant Governmental Authority (unless such law, rule or regulation becomes effective on or after the date on which agreement is reached to issue the first Tranche of a Series of Notes) and it is impossible or commercially impracticable for the relevant Issuer, or (in the case of Guaranteed Notes) the Guarantor, as the case may be, due to an event beyond its control, to comply with such law, rule or regulation;

“Rate Calculation Business Day” means a day (other than a Saturday, Sunday or public holiday) on which commercial banks are open for general business (including dealings in foreign exchange) in the Rate Calculation Jurisdiction;

“Rate Calculation Date” means (i) the day which is the number of Rate Calculation Business Days specified in the applicable Final Terms (which shall be two Rate Calculation Business Days where the Specified Currency is Renminbi) before the due date of the relevant amount under these Conditions or (ii) if the relevant Spot Rate is not available on such day, the last preceding Rate Calculation Business Day on which the relevant Spot Rate was most recently available, as determined by the Alternative Currency Calculation Agent;

“Rate Calculation Jurisdiction” means the jurisdiction(s) specified in the applicable Final Terms, which shall be the Eurozone where the Specified Currency is euro or Hong Kong where the Specified Currency is Renminbi;

“RMB Spot Rate”, for a Rate Calculation Date, means the spot Renminbi/U.S. dollar exchange rate for the purchase of U.S. dollars with Renminbi in the over-the-counter Renminbi exchange market in Hong Kong for settlement on the due date for payment, as determined by the Alternative Currency Calculation Agent at or around 11.00 a.m. (Hong Kong time) on a deliverable basis by reference to Reuters Screen Page TRADCNY3, or if no such rate is available, on a non-deliverable basis by reference to Reuters Screen Page TRADNDF. If neither rate is available, the Alternative Currency Calculation Agent will determine the spot rate at or around 11.00 a.m. (Hong Kong time) on the Rate Calculation Date as the most recently available Renminbi/U.S. dollar official fixing rate for settlement on the due date for payment reported by The State Administration of Foreign Exchange of the PRC, which is reported on the Reuters Screen Page CNY=SAEC. Reference to a page on the Reuters Screen means the display page so designated on the Reuter Monitor Money Rates Service (or any successor service) or such other page as may replace that page for the purpose of displaying a comparable currency exchange rate;

“Specified Currency Jurisdiction” means (i) other than in the case of euro or Renminbi, the primary jurisdiction for which the Specified Currency is the lawful currency, (ii) in the case of euro, the Eurozone or (iii) in the case of Renminbi, Hong Kong;

“Spot Rate”, for a Rate Calculation Date, means the spot exchange rate for the purchase of the Alternative Currency with the Specified Currency in the over-the-counter foreign exchange market for the Specified Currency for settlement on the due date for payment in the Specified Currency Jurisdiction for settlement as a “spot” foreign exchange transaction in such market, as determined by the Alternative Currency Calculation Agent at or around the Spot Rate Calculation Time specified in the applicable Final Terms (Specified Currency Jurisdiction time or, in the case of euro, Central European time) on a deliverable basis by reference to the Spot Rate Screen Page (the “Spot Rate Screen Page”) as specified in the applicable Final Terms, or if no such rate is available, on a non-deliverable basis by reference to the Non-deliverable Spot Rate Screen Page as specified in the applicable Final Terms. Unless specified otherwise in the applicable Final Terms, if neither rate is available, the Alternative Currency Calculation Agent will determine the Spot Rate in its discretion on the Rate Calculation Date at or around the Spot Rate Calculation Time (Specified Currency Jurisdiction time or, in the case of euro, Central European time) taking into consideration all available information which the Alternative Currency Calculation Agent deems relevant, including, without limitation, pricing information obtained from any other deliverable or non-deliverable foreign exchange market for the purchase of the Alternative Currency with the Specified Currency for settlement on the due date for payment as a “spot” foreign exchange transaction in or in relation to the relevant market; and “Spot Rate Screen Page” means the relevant screen page specified as such in the applicable Final Terms.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 5(g) by the relevant Issuer, the Guarantor (where applicable) or the Alternative Currency Calculation Agent, as the case may be, will (in the absence of wilful default, bad faith or manifest error) be binding on the relevant Issuer, the Guarantor (where applicable), the Agents and all Noteholders and (in the absence of wilful default or bad faith) no liability to the relevant Issuer, the Guarantor (where applicable), the Agents and all Noteholders shall attach to the Alternative Adjudication Currency Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

## **6. REDEMPTION AND PURCHASE**

(a) **Redemption at maturity:** Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its Final Redemption Amount specified in the applicable Final Terms in the relevant Specified Currency on the Maturity Date.

(b) **Redemption for tax reasons:**

(i) The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (if this Note is not a Floating Rate Note) or on any Interest Payment Date (if this Note is a Floating Rate Note), on giving not less than 30 nor more than 60 days' notice to the Principal Paying Agent and, in accordance with Condition 13, the Noteholders (which notice shall be irrevocable), if:

(A) either the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7 or the Guarantor (where applicable) would be unable for reasons outside its control to procure payment by the Issuer and in making payment itself would be required to pay such additional amounts, in each case as a result of any change in, or amendment to, the laws, regulations or rulings of the Relevant Tax Jurisdiction or any change in the application or official interpretation of such laws, regulations or rulings, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes; and

(B) such obligation cannot be avoided by the Issuer or, as the case may be, the Guarantor (where applicable) taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or, as the case may be, the Guarantor (in the case of Guaranteed Notes) would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition 6(b), the Issuer or, as the case may be, the Guarantor (where applicable) shall deliver to the Principal Paying Agent a certificate signed by one Director of the Issuer or, as the case may be, one Director of the Guarantor (where applicable) stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts or the Guarantor (where applicable) would be unable for reasons outside its control to procure payment by the Issuer and in making payment itself would be required to pay such additional amounts, in each case as a result of such change or amendment.

Notes redeemed pursuant to this Condition 6(b) will be redeemed at their Early Redemption Amount referred to in paragraph (f) below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

“Relevant Tax Jurisdiction” shall mean, in the case of payment by the Issuer, the Netherlands and the United Kingdom (where the Issuer is FCA) or the Grand-Duchy of Luxembourg (where the Issuer is FCFE) or any political subdivision or any authority thereof or therein having power to tax and, in the case of payment by the Guarantor (in the case of Guaranteed Notes), shall also include the Netherlands and the United Kingdom and any political subdivision or any authority thereof or therein having power to tax.

(c) **Redemption at the option of the Issuer (“Issuer Call”):** If Issuer Call is specified as being applicable in the applicable Final Terms, the Issuer may, having given:

(i) not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 13; and

(ii) not less than 15 days before the giving of the notice referred to in the notice to the Principal Paying Agent,

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) described below or as otherwise specified in the applicable Final Terms together, if appropriate, with interest



accrued to (but excluding) the relevant Optional Redemption Date. Any such redemption must be of a nominal amount at least equal to the Minimum Redemption Amount and not greater than the Maximum Redemption Amount, in each case as may be specified in the applicable Final Terms. In the case of a partial redemption of Notes, the Notes to be redeemed (“Redeemed Notes”) will be selected individually by lot, in the case of Redeemed Notes represented by definitive Notes, and in accordance with the rules of Euroclear and/ or Clearstream (to be reflected in the records of Euroclear and Clearstream as either a pool factor or a reduction in nominal amount, at their discretion) and/or the CMU Service, as the case may be, in the case of Redeemed Notes represented by a Global Note, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the “Selection Date”). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 13 not less than 15 days prior to the date fixed for redemption. The aggregate nominal amount of Redeemed Notes represented by definitive Notes or represented by a Global Note shall in each case bear the same proportion to the aggregate nominal amount of all Redeemed Notes as the aggregate nominal amount of definitive Notes outstanding and Notes outstanding represented by such Global Note, respectively, bears to the aggregate nominal amount of the Notes outstanding, in each case on the Selection Date, provided that, if necessary, appropriate adjustments shall be made to such nominal amounts to ensure that each represents an integral multiple of the Specified Denomination. No exchange of the relevant Global Note will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to this paragraph (c) and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 13 at least five days prior to the Selection Date.

The Optional Redemption Amount will either be the amount specified in the applicable Final Terms or, if “As set out in Condition 6(c)” is specified as being applicable in the applicable Final Terms, an amount equal to 100 percent of the principal amount of such Notes together (if appropriate) with interest accrued to (but excluding) the date of redemption, plus the Applicable Premium.

In these Conditions:

“Applicable Premium” means, with respect to the relevant Note(s) on any redemption date, the greater of:

- (i) 1.0 percent of the principal amount of such Note(s); or
- (ii) the excess of:
  - (A) the present value at such redemption date of (i) the principal amount of such Note(s) at maturity plus (ii) all required interest payments due on such Note(s) through the Maturity Date indicated in the relevant Final Terms, (excluding accrued but unpaid interest to the redemption date), computed using a discount rate equal to the Bund Rate as of such redemption date plus 0.50 percent; over
  - (B) the principal amount of such Note(s), if greater.

“Bund Rate” means, with respect to any relevant date, the rate per annum equal to the equivalent yield to maturity as of such date of the Comparable German Bund Issue, (expressed as a percentage of its principal amount) equal to the Comparable German Bund Price for such relevant date, where:

- (i) “Comparable German Bund Issue” means the German Bundesanleihe security selected by any Reference German Bund Dealer as having a fixed maturity most nearly equal to the period from such redemption date to the Maturity Date indicated in the relevant Final Terms, and that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of euro-denominated corporate debt securities in a principal amount approximately equal to the then outstanding principal amount of the Notes, and of a maturity most nearly equal to the Maturity Date indicated in the relevant Final Terms; *provided*, however, that, if the period from such redemption date to the Maturity Date indicated in the relevant Final Terms is less than one year, a fixed maturity of one year shall be used;

- (ii) “Comparable German Bund Price” means, with respect to any relevant date, the average of all Reference German Bund Dealer Quotations for such date (which, in any event, must include at least two such quotations), after excluding the highest and lowest such Reference German Bund Dealer Quotations or, if the Issuer obtains fewer than four such Reference German Bund Dealer Quotations, the average of all such quotations;
  - (iii) “Reference German Bund Dealer” means any dealer of German Bundesanleihe securities appointed by the Issuer; and
  - (iv) “Reference German Bund Dealer Quotations” means, with respect to each Reference German Bund Dealer and any relevant date, the average as determined by the Issuer of the bid and offered prices for the Comparable German Bund Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Issuer by such Reference German Bund Dealer at or about 3.30 p.m. Frankfurt time, on the third business day (being for this purpose a day on which banks are open for business in Frankfurt and London) preceding the relevant date.
- (d) **Redemption at the option of the Issuer (“Issuer Maturity Par Call”):** If Issuer Maturity Par Call is specified as being applicable in the applicable Final Terms, the Issuer may, having given not less than 30 nor more than 60 days’ notice (or such other period of notice as is specified in the applicable Final Terms) to the Principal Paying Agent, and, in accordance with Condition 13, the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem the Notes then outstanding in whole, but not in part, at any time during the period commencing on (and including) the day that is 90 days prior to the Maturity Date to (but excluding) the Maturity Date, at the Final Redemption Amount specified in the applicable Final Terms, together (if appropriate) with interest accrued but unpaid to (but excluding) the date fixed for redemption.
- (e) **Redemption at the option of the Noteholders (“Investor Put”):** If Investor Put is specified as being applicable in the applicable Final Terms, upon the holder of any Note giving to the Issuer in accordance with Condition 13 not less than 15 nor more than 30 days’ notice the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, in whole (but not, in the case of a Note in definitive form, in part), such Note on the Optional Redemption Date and at the Optional Redemption Amount (each as specified in the applicable Final Terms) together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date.

If this Note is in definitive form, to exercise the right to require redemption of this Note, the holder of this Note must deliver this Note at the specified office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the notice period, accompanied by a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent (a “Put Notice”) and in which the holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition.

Any Put Notice given by a holder of any Note pursuant to this Condition 6(e) shall be irrevocable except where prior to the due date for redemption an Event of Default shall have occurred and be continuing in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this Condition 6(e) and instead to declare such Note forthwith due and payable pursuant to Condition 9.

- (f) **Early Redemption Amounts:** For the purpose of paragraph (b) above and Condition 9, each Note will be redeemed at its Early Redemption Amount calculated as follows:
- (i) in the case of a Note with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof;
  - (ii) in the case of a Note (other than a Zero Coupon Note) with a Final Redemption Amount which is or may be less or greater than the Issue Price at the amount specified in the applicable Final Terms or, if no such amount or manner is so specified in the applicable Final Terms, at its nominal amount; or

- (iii) in the case of a Zero Coupon Note, at an amount (the “Amortised Face Amount”) calculated in accordance with the following formula:

Early Redemption Amount =  $RP \times (1 + AY)^y$  where:

“**RP**” means the Reference Price;

“**AY**” means the Accrual Yield expressed as a decimal; and

“**y**” is the Day Count Fraction specified in the applicable Final Terms which will be either (i) 30/360 (in which case the numerator will be equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (ii) Actual/360 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (iii) Actual/365 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 365).

- (g) **Purchases:** The Issuer, the Guarantor (where applicable) or any of their respective subsidiaries may at any time purchase Notes (provided that, in the case of definitive Notes, all unmatured Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. If purchases are made by tender, tenders must be available to all Noteholders alike. Such Notes may be held, reissued, resold or, at the option of the Issuer or the Guarantor (where applicable), surrendered to any Paying Agent for cancellation.
- (h) **Cancellation:** All Notes which are redeemed will forthwith be cancelled (together with all unmatured Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and any Notes purchased and cancelled pursuant to paragraph (g) above (together with all unmatured Coupons and Talons cancelled therewith) shall be forwarded to the Principal Paying Agent and cannot be reissued or resold.
- (i) **Late payment on Zero Coupon Notes:** If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to paragraphs (a), (b), (c), (d) or (e) above or upon its becoming due and repayable as provided in Condition 9 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in paragraph (f)(iii) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:
- (i) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
  - (ii) the date on which the full amount of the monies payable in respect of such Zero Coupon Notes has been received by the Principal Paying Agent and notice to that effect has been given to the Noteholders in accordance with Condition 13.
- (j) **Repurchase at the Option of Noteholders—Change of Control:** If a Change of Control occurs, the holder of any Note will have the right to require the Issuer thereof to repurchase all (but not, in the case of a Note in definitive form, any part) of such Note pursuant to a Change of Control Offer. In the Change of Control Offer, the relevant Issuer will offer a payment in cash equal to 101 percent of the aggregate principal amount of Notes repurchased plus accrued and unpaid interest, if any, to the date of purchase (the “Change of Control Payment”). Within thirty (30) days following any Change of Control, the Issuer will give notice to each holder describing the transaction or transactions that constitute the Change of Control and offering to repurchase Notes on the payment date specified in the notice (the “Change of Control Payment Date”),

which date will be no earlier than 30 days and no later than 60 days from the date such notice is given to Noteholders in accordance with Condition 13.

The Issuer will comply with any applicable securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control. To the extent that the provisions of any securities laws or regulations conflict with this provision, the relevant Issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this provision by virtue of such compliance.

On the Change of Control Payment Date, the relevant Issuer will, to the extent lawful:

- (i) accept for payment all Notes or portions of Notes properly tendered pursuant to the Change of Control Offer;
- (ii) deposit with the Principal Paying Agent an amount equal to the Change of Control Payment in respect of all Notes or portions of Notes properly tendered; and
- (iii) deliver or cause to be delivered for cancellation the Notes properly accepted together with an officers' certificate of the relevant Issuer stating the aggregate principal amount of Notes or portions of Notes being purchased by the relevant Issuer.

If the Note is in definitive form, to exercise the right to require repurchase of the Note the holder of the Note must deliver this Note at the specified office of any Paying Agent at any time during normal business hours of such Paying Agent within the notice period, accompanied by a duly completed and signed acceptance notice in the form (for the time being current) obtainable from any specified office of any Paying Agent (an "Acceptance Notice") and in which the holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition.

Any Acceptance Notice given by a holder of any Note pursuant to this paragraph shall be irrevocable except where prior to the due date for redemption an Event of Default shall have occurred and be continuing in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this paragraph and instead declare such Note forthwith due and payable pursuant to Condition 9.

The Issuer will not be required to make a Change of Control Offer upon a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth herein applicable to a Change of Control Offer made by the Issuer and purchases all Notes properly tendered and not withdrawn under the Change of Control Offer.

In these Conditions, the following expressions shall have the following meanings:

"Change of Control" means the occurrence of both (i) an event described in clauses (A) or (B) below and (ii) a Rating Decline:

(A) the consummation of any transaction (including, without limitation, any merger or consolidation), the result of which is that any "person" (as that term is used in Section 13(d) of the Exchange Act), other than one or more Related Parties, becomes the beneficial owner, directly or indirectly, of more than 50 percent of the Voting Stock of FCA measured by voting power rather than number of shares; or

(B) the stockholders of the Guarantor (where applicable) or the Issuer approve any plan of liquidation or dissolution of the Guarantor (where applicable) or the Issuer, as the case may be, other than in connection with a merger, consolidation or other form of combination while the Issuer or Guarantor (where applicable) is solvent, with another company where such company, in the case of the Issuer, assumes all obligations of the Issuer under the Notes and, in the case of the Guarantor (where applicable), assumes all obligations of the Guarantor under the Guarantee and where such merger, consolidation or other combination does not have the effect of or result in an event described in paragraph (A) above,

“Change of Control Offer” means the offer to repurchase the Notes following a Change of Control as further described above;

“Person” means any individual, group, company, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organisation, limited liability company or government or other entity;

“Rating Date” means (i) the date one business day (being for this purpose a day on which banks are open for business in London) prior to the occurrence of an event specified in clauses (A) or (B) of the definition of Change of Control or, if applicable, and only with respect to the type of transaction specified in clause (A) of the definition of Change of Control, the date one business day before the first public announcement of a definitive agreement with respect to such transaction and (ii) in the event that a Rating Agency has announced a Rating Decline of the Notes within 90 days prior to the occurrence of an event specified in clauses (A) or (B) of the definition of Change of Control or, if applicable, and only with respect to the type of transaction specified in clause (A) of the definition of Change of Control, within 90 days before the first public announcement of a definitive agreement with respect to such transaction, and the official statement issued by a Rating Agency announcing the Rating Decline refers to such event or transaction as a reason for such downgrade, the date one business day prior to such announcement by a Rating Agency;

“Rating Agency” means Moody’s or Standard & Poor’s (each as herein defined), or, if either such entity ceases to rate the Notes for reasons outside of the control of the Guarantor (where applicable) or the relevant Issuer, the equivalent investment grade credit rating from any other “nationally recognised statistical rating organisation” within the meaning of Rule 15c3-1(c)(2)(vi)(F) under the Exchange Act;

“Rating Decline” means the occurrence on any date within the 60-day period following the occurrence of the event specified in clauses (A) or (B) of the definition of a Change of Control (which period shall be extended so long as during such period any rating of the Notes is under publicly announced consideration for possible downgrade by a Rating Agency, *provided* that such extension shall not be for more than 30 days) of: (i) in the event the Notes are rated by any Rating Agency on the Rating Date below investment grade, the rating of the Notes by such Rating Agency within such period being at least one rating category below the rating of the Notes by such Rating Agency on the Rating Date, (ii) in the event the Notes are rated by any Rating Agency on the Rating Date as investment grade, the rating of the Notes within such period by such Rating Agency being (1) at least two rating categories below the rating of the Notes by such Rating Agency on the Rating Date or (2) below investment grade or (iii) the Notes not being rated by any Rating Agency. In determining how many rating categories the rating of the Notes has decreased, gradation will be taken in account (*e.g.*, with respect to Standard & Poor’s, a decline in a rating from BB+ to BB, or from BB to BB-, will constitute a decrease of one rating category);

“Related Party” means (i) each of the owners and beneficial holders of interests in Giovanni Agnelli B.V. (at the Issue Date) and each of their spouses, heirs, legatees, descendants and blood relatives to the third degree, (ii) Giovanni Agnelli B.V. or (iii) any Person directly or indirectly under the Control of Giovanni Agnelli B.V. For the purposes of this definition, the term “Control” means (1) the direct or indirect ownership (beneficial or otherwise) of more than 50 percent of the Voting Stock of a Person measured by voting power rather than number of shares or (2) the power to appoint or remove all or the majority of the directors or other equivalent officers of a Person; and “Voting Stock” of any Person as of any date means the capital stock of such Person that is at the time entitled to vote in the election of the board of directors of such Person.

## 7. TAXATION

All amounts payable in respect of the Notes and Coupons by the Issuer or the Guarantor (where applicable), as the case may be, will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed, withheld or levied by or on behalf of any Relevant Tax Jurisdiction (as defined in Condition 6(b)), unless such withholding or deduction is required by law. In such event, the Issuer or, as the case may be, the Guarantor (where applicable) will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes or Coupons after such withholding or deduction shall equal the respective amounts which would otherwise have been receivable in respect of the Notes or Coupons, as the case may be, in the absence of such withholding or deduction except as follows:

- (a) Where the Issuer is FCA or where payment is made pursuant to the Guarantee (in which case no additional amounts shall be paid in circumstances where any of the conditions set forth in (a)(i) to (vi) of this Condition 7(a) apply, nor in circumstances where the conditions related to the relevant Issuer in this Condition 7 apply):

No such additional amounts shall be payable with respect to any Note or Coupon:

- (i) presented for payment in the Netherlands or the United Kingdom; or
- (ii) to, or to a third party on behalf of, a holder who is liable to those taxes or duties in respect of that Note or Coupon by reason of his having some connection with the Relevant Tax Jurisdiction other than the mere holding of the Note or Coupon or the receipt of principal or interest in respect of it; or
- (iii) to a holder who is able to avoid the withholding by making a declaration of non-residence or other similar claim for exemption to the relevant tax authority; or
- (iv) presented for payment more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to additional amounts on presenting it for payment on the last day of such 30-day period assuming that day to have been a Payment Day; or
- (v) as a result of the entry into force of the Dutch Withholding Tax Act 2021 (*Wet Bronbelasting 2021*) on 1 January 2021 substantially in the form as published in the Official Gazette (*Staatsblad*) Stb. 2019, 513 of 27 December 2019; or
- (vi) for or on account of any tax, assessment or other governmental charge that would not have been imposed but for a failure by the holder or beneficial owner, or any financial institution (other than any Paying Agent) through which the holder or beneficial owner holds any Note or through which payment on the Note is made, to enter into or comply with an agreement described in Section 1471(b)(1) of the Code and the regulations thereunder or otherwise comply with Sections 1471 through 1474 of the Code, the regulations thereunder, any official interpretations thereof or any agreement, law, regulation, or other official guidance implementing an intergovernmental approach thereto.

- (b) Where the Issuer is FCFE:

No such additional amounts shall be payable with respect to any Note or Coupon:

- (i) presented for payment in Luxembourg; or
- (ii) to, or to a third party on behalf of, a holder who is liable to those taxes or duties in respect of that Note or Coupon by reason of his having some connection with the Relevant Tax Jurisdiction other than the mere holding of the Note or Coupon or the receipt of principal or interest in respect of it; or
- (iii) to a holder who is able to avoid the withholding by making a declaration of non-residence or other similar claim for exemption to the relevant tax authority; or
- (iv) presented for payment more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to additional amounts on presenting it for payment on the last day of such 30-day period assuming that day to have been a Payment Day; or
- (v) where such withholding or deduction is imposed on a payment to a Luxembourg resident individual as per the law of December 23, 2005, as amended; or
- (vi) for or on account of any tax, assessment or other governmental charge that would not have been imposed but for a failure by the holder or beneficial owner, or any financial institution (other than any Paying Agent) through which the holder or beneficial owner holds any Note or through which

payment on the Note is made, to enter into or comply with an agreement described in Section 1471(b)(1) of the Code and the regulations thereunder or otherwise comply with Sections 1471 through 1474 of the Code, the regulations thereunder, any official interpretations thereof, or any agreement, law, regulation, or other official guidance implementing an intergovernmental approach thereto.

As used in these Conditions, “Relevant Date”, in respect of any payment, means the date on which that payment first becomes due but, if the full amount of the monies payable has not been received by the Principal Paying Agent on or before the due date, it means the date on which, the full amount of those monies having been so received, notice to that effect has been duly given to the relevant Noteholders in accordance with Condition 13.

## 8. PRESCRIPTION

The Notes and Coupons will become void unless presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 7) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 5(b) or any Talon which would be void pursuant to Condition 5(b).

## 9. EVENTS OF DEFAULT

If any of the following events (each an “Event of Default”) shall occur:

- (i) there is a default for more than 14 days after the date when due in the payment of principal or interest (if any) due in respect of the Notes; or
- (ii) there is a default in the performance of any other obligation under the Agency Agreement, the Notes or the Guarantee (where applicable) (a) which is incapable of remedy or (b) which, being a default capable of remedy, continues for 30 days after written notice of such default has been given through the Principal Paying Agent by the holder of any Note to the Issuer and the Guarantor (where applicable); or
- (iii) any final order shall be made by any competent court or other authority or resolution passed by the Issuer or the Guarantor (where applicable) for the dissolution or winding-up of the Issuer or the Guarantor (where applicable) or for the appointment of a liquidator, receiver or trustee of the Issuer or the Guarantor (where applicable) or of all or a substantial part of their respective assets, provided that there shall be no Event of Default in the case of an order or a resolution passed by the Issuer or the Guarantor (where applicable) for the liquidation or dissolution of the Issuer or the Guarantor (where applicable), as the case may be, to the extent that (a) such an order or resolution is in connection with a merger, consolidation or any other form of combination while the Issuer or Guarantor (where applicable) is solvent, with another company and such company, in the case of the Issuer, assumes all obligations of the Issuer under the Notes and, in the case of the Guarantor (where applicable), assumes all obligations of the Guarantor under the Guarantee, or (b) the Issuer has made a Change of Control Offer and repurchased the Notes from Noteholders following a Change of Control; or
- (iv) the Issuer or the Guarantor (where applicable) shall stop payment or shall be unable to, or shall admit to creditors generally its inability to pay its debts as they fall due, or shall be finally adjudicated or found bankrupt or insolvent, or shall enter into any composition or other arrangement with its creditors generally or, where FCFE is the Issuer, the Issuer shall apply for controlled management (*gestion contrôlée*) or reprieve from payment (*sursis de paiement*); or
- (v) the Issuer or the Guarantor (where applicable) ceases, or threatens to cease, to carry on business unless such cessation, or threatened cessation, is in connection with a merger, consolidation or any other form of combination with another company and such company in the case of the Issuer,

assumes all obligations of the Issuer under the Notes, and in the case of the Guarantor (where applicable), assumes all obligations of the Guarantor under the Guarantee; or

- (vi) in the case of Guaranteed Notes only, the Issuer ceases to be controlled directly or indirectly by the Guarantor, for which purpose the Guarantor shall be deemed to control the Issuer only if the Guarantor directly or indirectly, through one or more companies controlled by it within the meaning of this definition, (a) owns more than 50 percent of the voting share capital of the Issuer; or (b) has power to appoint or remove more than 50 percent of the board of directors (or other similar senior supervisory body) of the Issuer; or
- (vii) there shall have occurred a default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness of the relevant Issuer, the Guarantor (where applicable) or any Material Subsidiary (as defined below in this Condition 9) (or the payment of which is guaranteed by the relevant Issuer, the Guarantor (where applicable) or any such Material Subsidiary) which default (A) is caused by a failure to pay the principal, interest or premium, if any, of any such Indebtedness (including without limitation a such failure under any called but unpaid guarantee issued or given by the Issuer, the Guarantor (where applicable) or any such Material Subsidiary in respect of any such Indebtedness) whether in the case of a repayment at maturity, a mandatory prepayment or otherwise, in each case after any applicable grace period provided in such Indebtedness or guarantee on the date of such failure (each such failure being a “payment default”), which payment default has not been validly waived in accordance with the terms of such Indebtedness or guarantee and applicable law, *provided* that the amount unpaid pursuant to such payment default, together with the amount unpaid pursuant to any other such payment default that has not been so waived or has not been otherwise validly cured aggregates €100,000,000 or (B) results in the acceleration of such Indebtedness prior to its express maturity, and such acceleration has not been validly waived in accordance with the terms of such Indebtedness and applicable law, *provided* that the principal amount of such Indebtedness so accelerated, together with the principal amount of any such other Indebtedness the maturity of which has been so accelerated and has not been waived or otherwise validly cured, aggregates €250,000,000; or
- (viii) in the case of Guaranteed Notes only, the Guarantee shall be held in any judicial proceeding (in each case being a judgment or order from which no further appeal or judicial review is permissible under applicable law) to be unenforceable or invalid or shall cease for any reason to be in full force and effect or the Guarantor shall deny or disaffirm its obligations under the Guarantee, as the case may be,

then any holder of a Note may, by written notice to the Issuer at the specified office of the Principal Paying Agent, effective upon the date of receipt thereof by the Principal Paying Agent, declare any Notes held by the holder to be forthwith due and payable whereupon the same shall become forthwith due and payable at the Early Redemption Amount (as described in Condition 6(e)), together with accrued interest (if any) to the date of repayment, without presentment, demand, protest or other notice of any kind.

For the purposes of this Condition 9, the term “Material Subsidiary” means (A) FCA Italy S.p.A. (and any other person Controlled by FCA which FCA Italy S.p.A. is consolidated or merged with or into or to whom all or substantially all of the assets of such entity is sold, assigned, transferred, leased or otherwise disposed of); (B) FCA US LLC (and any other person Controlled by FCA which FCA US LLC is consolidated or merged with or into or to whom all or substantially all of the assets of such entity is sold, assigned, transferred, leased or otherwise disposed of); (C) any Member of the FCA Group the total assets of which on a stand-alone basis (excluding intra-Group items and as determined from the entity’s most recent IFRS financial data used by FCA in the preparation of its most recent audited consolidated financial statements) constitutes five percent or more of the consolidated total assets of the FCA Group (as determined from FCA’s most recent audited consolidated financial statements prepared in accordance with IFRS); (D) any Treasury Subsidiary or (E) any entity under the direct or indirect Control of FCA that directly or indirectly Controls a subsidiary that meets the requirements of the preceding clauses (A), (B), (C) or (D), *provided* that if any such entity Controls such a subsidiary only pursuant to the aggregate ownership test specified in the proviso to clause (1) of the definition of “Control”, “Controls” or “Controlled” below, then, and only then, the Issuer and the Guarantor (where applicable) shall have the right to designate which such entities shall be deemed to so Control such a subsidiary *provided* that, in each case, such designated entities Control in the aggregate more than 50



percent of the relevant subsidiary's Voting Stock. For purposes of this definition of "Material Subsidiary", (i) the term "Control", "Controls" or "Controlled" means (1) the direct or indirect ownership (beneficial or otherwise) of more than 50 percent of the Voting Stock of a Person measured by voting power rather than number of shares, *provided* that to the extent that no single entity directly owns more than 50 percent of the Voting Stock of a Person, entities with aggregate direct or indirect ownership of more than 50 percent of the Voting Stock of a Person will be deemed to Control such Person or (2) the power to appoint or remove all or the majority of the directors or other equivalent officers of a Person and (ii) no Financial Services Subsidiary shall be considered or deemed to be a Material Subsidiary. Notwithstanding the foregoing, a subsidiary shall be considered or deemed to be a Material Subsidiary only to the extent that such is located or domiciled in an OECD Country (or, to the extent that the Organisation for Economic Co-operation and Development or a successor organisation no longer exists, the countries that were members of the relevant organisation on the date such organisation ceased to exist).

For purposes of this Condition 9, the term "OECD Country" means a country that is member of the Organisation for Economic Co-operation and Development or any successor organisation at the time of the occurrence of a payment default or acceleration specified in clause (vii) of this Condition 9 (or, to the extent that the Organisation for Economic Co-operation and Development or a successor organisation no longer exists, at the time the relevant organisation ceased to exist).

For purposes of this Condition 9, "Treasury Subsidiary" means (A) Fiat Chrysler Finance Europe *société en nom collectif*, acting through its UK Branch (B) Fiat Chrysler Finance U.S. Inc., and (C) any other subsidiary of FCA the primary purpose of which is borrowing funds, issuing securities or incurring Indebtedness. For the avoidance of doubt, "Treasury Subsidiary" does not, and shall not be deemed to, include any Financial Services Subsidiary.

## **10. REPLACEMENT OF NOTES, COUPONS AND TALONS**

Should any Note, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Principal Paying Agent upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

## **11. AGENTS**

The names of the initial Agents and their initial specified offices are set out below. If any additional Agents are appointed in connection with any Series, the names of such Paying Agents will be specified in Part B of the applicable Final Terms.

The Issuer and/or the Guarantor (where applicable) is/are entitled to vary or terminate the appointment of any Agent and/or appoint additional or other Agents and/or approve any change in the specified office through which any Agent acts, provided that:

- (a) there will at all times be a Principal Paying Agent and, in the case of CMU Notes, a CMU Lodging and Paying Agent;
- (b) so long as the Notes are listed on any stock exchange, there will at all times be a Paying Agent, which may be the Principal Paying Agent or, in the case of CMU Notes, a CMU Lodging and Paying Agent, with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange; and
- (c) there will at all times be a Paying Agent in a jurisdiction within Europe, other than (i) the jurisdiction in which the relevant Issuer or the Guarantor (in the case of Guaranteed Notes) is incorporated, and (ii) the United Kingdom, where FCA is the Issuer or a payment is made pursuant to the Guarantee by the Guarantor (in the case of Guaranteed Notes).

In addition, the Issuer and/or the Guarantor (in the case of Guaranteed Notes) shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 5(e). Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency or where an Agent is an FFI and does not become, or ceases to be, a Participating FFI or a Registered Deemed-Compliant FFI, 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 Noteholders in accordance with Condition 13.

In acting under the Agency Agreement, the Agents act solely as agents of the Issuer and the Guarantor (where applicable) and do not assume any obligation to, or relationship of agency or trust with, any Noteholders or Couponholders. The Agency Agreement contains provisions permitting any entity into which any Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor agent.

As used herein:

“FFI” (a “foreign financial institution”) means an FFI as defined in U.S. Treasury Regulations section 1.1471-1(b)(47);

“Participating FFI” means a participating FFI as defined in U.S. Treasury Regulations section 1.1471-1(b)(91); and “Registered Deemed-Compliant FFI” means a registered deemed-compliant FFI as described in U.S. Treasury Regulations section 1.1471-1(b)(111).

## **12. EXCHANGE OF TALONS**

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Principal Paying Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 8.

## **13. NOTICES**

All notices regarding the Notes will be deemed to be validly given if published in a leading English language daily newspaper of general circulation in London; provided, however that in the case of Notes cleared through the CMU Service, notices will be deemed to be validly given if published in a leading daily newspaper of general circulation in Hong Kong. It is expected that such publication will be made in the Financial Times in London or, in the case of Notes cleared through the CMU Service, either The Standard or the South China Morning Post in Hong Kong. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange on which the Notes are for the time being listed. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers.

Until such time as any definitive Notes are issued, there may, so long as any Global Notes representing the Notes are held in their entirety on behalf of (i) Euroclear and/or Clearstream, be substituted for such publication in such newspaper(s) the delivery of the relevant notice to Euroclear and/or Clearstream for communication by them to the holders of the Notes or (ii) the CMU Service, be substituted for such publication in such newspaper(s) the delivery of the relevant notice to the persons shown in a CMU Instrument Position Report issued by the CMU Service on the first business day preceding the date of despatch of such notice as holding interests in the relevant Global Note. In addition, for so long as any Notes are listed or admitted to trading on a stock exchange and the rules of that stock exchange so require, such notice will be published in a daily newspaper of general circulation in the place or places required by the rules of that stock exchange. Any such notice shall be deemed to have been given to the holders of the Notes on the seventh day after the day on which the said notice was given to Euroclear and/or Clearstream and/or the CMU Service.

All notices to the Noteholders will be deemed to be validly given if filed with the Companies Announcements Office of Euronext Dublin.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Principal Paying Agent. Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Principal Paying Agent through Euroclear and/or Clearstream and/or in the case of Notes lodged with the CMU Service, by delivery by such holder or such notice to the CMU Lodging and Paying Agent in Hong Kong, as the case may be, in such manner as

the Principal Paying Agent and Euroclear and/or Clearstream, and/or the CMU Service, as the case may be, may approve for this purpose.

#### 14. MEETINGS OF NOTEHOLDERS, MODIFICATION AND WAIVER

The Agency Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Coupons or any of the provisions of the Agency Agreement. Such a meeting may be convened by the Issuer or Noteholders holding not less than five percent in nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing a clear majority in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes or the Coupons (including modifying the date of maturity of the Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes or the Coupons), the quorum shall be one or more persons holding or representing not less than three-quarters in nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than a clear majority in nominal amount of the Notes for the time being outstanding. The Agency Agreement provides that a resolution passed at a meeting of the Noteholders duly convened and held in accordance with the Agency Agreement by a majority consisting of not less than 75 percent of the persons voting on the resolution upon a show of hands or if a poll was duly demanded then by a majority consisting of not less than 75 percent of the votes given on the poll or consent given by way of electronic consents through the relevant clearing system(s) by or behalf of all the Noteholders, shall, in each case, be effective as an Extraordinary Resolution of the Noteholders. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether or not they are present at the meeting, and on all Couponholders.

The Principal Paying Agent and the Issuer may agree, without the consent of the Noteholders or Couponholders, to:

- (a) any modification (except such modifications in respect of which an increased quorum is required as mentioned above) of the Notes, the Coupons or the Agency Agreement which is not prejudicial to the interests of the Noteholders; or
- (b) any modification of the Notes, the Coupons or the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law.

Any such modification shall be binding on the Noteholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 13 as soon as practicable thereafter.

Where the Issuer is FCFE, the provisions of articles 470-1 to 470-19 of the Luxembourg law of August 10, 1915 on commercial companies, as amended, are hereby excluded.

#### 15. SUBSTITUTION

(a) ***Substitution of FCFE by FCA***

(I) In the case of Notes issued by FCFE, FCFE may at any time, without the consent of the Noteholders or the Couponholders, substitute for itself as principal debtor under the Notes and the Coupons FCA as Issuer, provided that no Event of Default has occurred in respect of the Notes and no payment in respect of the Notes or the Coupons is at the relevant time overdue and the substitution would not immediately result in the Substitute having an option to redeem the Notes pursuant to Condition 6(b). The substitution shall be made by a deed poll (the “**FCFE Substitution Deed Poll**”), to be substantially in the form set out in the Agency Agreement as Schedule 8 and may take place only if:

- (i) FCA shall, by means of the FCFE Substitution Deed Poll, agree to indemnify each Noteholder and Couponholder against (A) any tax, duty, assessment or governmental charge which is imposed on such Noteholder or Couponholder by (or by any subdivision or authority having power to tax in or of) the Netherlands or the United Kingdom with respect to any Note or Coupon or the Deed of

Covenant that would not have been so imposed had the substitution not been made and (B) any tax, duty, assessment or governmental charge, and any cost or expense relating to the substitution;

- (ii) all the provisions set forth in the Conditions with respect to FCA as Issuer of the Notes shall apply to the Notes following the substitution as if the Notes were originally issued by FCA;
  - (iii) all actions, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that (A) the FCFE Substitution Deed Poll and the Notes, the Coupons, the Deed of Covenant and such other documentation as may be necessary to be executed by FCA to effect the substitution (including, without limitation, amended and restated Final Terms reflecting the substitution) represent valid, legally binding and enforceable obligations of FCA and (B) the FCFE Substitution Deed Poll and such other documentation as may be necessary to be executed by FCFE to effect the substitution represent valid, legally binding and enforceable obligations of FCFE have been taken, fulfilled and done and are in full force and effect;
  - (iv) the relevant stock exchange (if any) shall have confirmed that, following the proposed substitution, the Notes will continue to be listed on such stock exchange;
  - (v) legal opinions, subject to customary assumptions and qualifications, addressed to the Noteholders shall have been delivered to them (care of the Principal Paying Agent) from lawyers or firms of lawyers with leading securities practices in the Netherlands, the Grand-Duchy of Luxembourg and in England as to the fulfilment of the conditions specified in paragraph (iii) of this Condition 15(a) and the other matters specified in the FCFE Substitution Deed Poll; and
  - (vi) the Issuer shall have given at least 14 days' prior notice of such substitution to the Noteholders, in accordance with Condition 13, stating that copies, or, pending execution, the agreed text, of all documents in relation to the substitution which are referred to above, or which might otherwise reasonably be regarded as material to Noteholders, will be available for inspection at the specified office of each of the Paying Agents.
- (II) Upon the execution of the FCFE Substitution Deed Poll by all parties thereto and the satisfaction of the other conditions set out in this Condition 15(a) and the FCFE Substitution Deed Poll, FCA shall succeed to and be substituted for the Issuer under the Notes and the Agency Agreement with the same effect as if it had been named as the Issuer herein. For the avoidance of doubt, following substitution in accordance with this Condition 15(a), FCFE shall cease to be the Issuer under the Notes, including, without limitation, for the purposes of Condition 9(iii) and 9(v), and any such substitution shall not, of itself, trigger such events of default or constitute a Change of Control for the purposes of Condition 6(j).
- (III) Following substitution, references in Condition 9 to obligations under the Notes shall be deemed to include obligations under the FCFE Substitution Deed Poll.
- (IV) The FCFE Substitution Deed Poll and all documents relating to the substitution shall be delivered to, and kept by, the Principal Paying Agent. Copies of such documents will be available free of charge at the specified office of each of the Paying Agents.
- (b) ***Substitution of FCA by a Treasury Subsidiary***
- (I) In the case of Notes issued by FCA, FCA may at any time, without the consent of the Noteholders or the Couponholders, substitute for itself as principal debtor under the Notes and the Coupons, any company (the “**Substitute**”) that is a Treasury Subsidiary (as defined below) of FCA, provided that no Event of Default has occurred in respect of the Notes and no payment in respect of the Notes or the Coupons is at the relevant time overdue and the substitution would not immediately result in the Substitute having an option to redeem the Notes pursuant to Condition 6(b). The substitution shall be made by a deed poll (the “**FCA Substitution Deed Poll**”), to be substantially in the form scheduled to the Agency Agreement as Schedule 8, and may take place only if:
- (i) The Substitute, failing which FCA, shall, by means of the FCA Substitution Deed Poll, agree to indemnify each Noteholder and Couponholder against (A) any tax, duty, assessment or

governmental charge that is imposed on it by (or by any subdivision or authority having the power to tax in or of) the jurisdiction of the country of the Substitute's residence for tax purposes and, if different, of its incorporation with respect to any Note or Coupon or the New Deed of Covenant (as defined below) that would not have been so imposed had the substitution not been made and (B) any tax, duty, assessment or governmental charge, and any cost or expense, relating to the substitution;

- (ii) all the provisions set forth in the Conditions with respect to FCFE as Issuer and FCA as Guarantor of the Notes shall apply to the Notes following the substitution as if the Notes were originally issued by the Substitute and guaranteed by FCA, provided that in respect of the Substitute (unless the Substitute is FCFE), the reference to "The Grand-Duchy of Luxembourg" (*where the Issuer is FCFE*) in Condition 6(b) shall be replaced by reference to the Substitute's country of residence for tax purposes and its country of incorporation;
  - (iii) the obligations of the Substitute under the FCA Substitution Deed Poll, the Notes, the Coupons and the New Deed of Covenant shall be irrevocably and unconditionally guaranteed by FCA (on substantially the same terms as the Guarantee) by means of the FCA Substitution Deed Poll;
  - (iv) all actions, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that (A) the FCA Substitution Deed Poll, the Notes, the Coupons, the New Deed of Covenant and such other documentation as may be necessary to be executed by the Substitute to effect the substitution (including, without limitation, amended and restated Final Terms reflecting the substitution) represent valid, legally binding and enforceable obligations of the Substitute and (B) the FCA Substitution Deed Poll and any such other documentation as may be necessary to be executed by the FCA to effect the substitution (including, without limitation, amended and restated Final Terms reflecting the substitution) represent valid, legally binding and enforceable obligations of FCA have been taken, fulfilled and done and are in full force and effect;
  - (v) unless the Substitute is FCFE, in order to effect the substitution, the Substitute shall have become party to the Agency Agreement, with any appropriate consequential amendments, as if it had been an original party to it and shall have entered into (A) a Deed of Covenant substantially in the form of the Deed of Covenant (the "**New Deed of Covenant**") and (B) a supplemental global note, supplemental to the Global Note which represents the Notes prior to the substitution;
  - (vi) the relevant stock exchange (if any) shall have confirmed that, following the proposed substitution, the Notes will continue to be listed on such stock exchange;
  - (vii) legal opinions, subject to customary assumptions and qualifications, addressed to the Noteholders shall have been delivered to them (care of the Principal Paying Agent) from lawyers or firms of lawyers with leading securities practices in the Netherlands, the jurisdiction of incorporation of the Substitute and in England as to the fulfilment of the preceding conditions of paragraph (iv) of this Condition 15(b) and the other matters specified in the FCA Substitution Deed Poll; and
  - (viii) FCA shall have given at least 14 days' prior notice of such substitution to the Noteholders, in accordance with Condition 13, stating that copies, or pending execution the agreed text, of all documents in relation to the substitution that are referred to above, or that might otherwise reasonably be regarded as material to Noteholders, shall be available for inspection at the specified office of each of the Paying Agents.
- (II) Upon the execution of the FCA Substitution Deed Poll by all parties thereto and the satisfaction of the other conditions set out in this Condition 15(b) and the FCA Substitution Deed Poll, the Substitute shall succeed to and be substituted for the Issuer under the Notes and the Agency Agreement with the same effect as if it had been named as the Issuer herein and FCA shall become the Guarantor as if the Notes had been originally guaranteed by FCA.
- (III) Following substitution references in Condition 9 to obligations under the Notes shall be deemed to include obligations under the FCA Substitution Deed Poll, and, where the FCA Substitution Deed Poll contains a

guarantee, the events listed in Condition 9 shall be deemed to include that guarantee not being (or being claimed by the guarantor not to be) in full force and effect.

(IV) The FCA Substitution Deed Poll and all documents relating to the substitution shall be delivered to, and kept by, the Principal Paying Agent. Copies of such documents will be available free of charge at the specified office of each of the Paying Agents.

(c) ***Substitution as Issuer of a Treasury Subsidiary by another Treasury Subsidiary***

(I) In the case of Notes where the Issuer is a Treasury Subsidiary (whether as Original Issuer or as substituted Issuer pursuant to the terms of Condition 15(b) or (c)), such Treasury Subsidiary, may at any time, without the consent of the Noteholders or the Couponholders, substitute for itself as principal debtor under the Notes and the Coupons, any company (the “**Substitute**”) that is also a Treasury Subsidiary (as defined below), provided that no Event of Default has occurred in respect of the Notes and no payment in respect of the Notes or the Coupons is at the relevant time overdue and the substitution would not immediately result in the Substitute having an option to redeem the Notes pursuant to Condition 6(b). The substitution shall be made by a deed poll (the “**Treasury Subsidiary Substitution Deed Poll**”), to be substantially in the form scheduled to the Agency Agreement as Schedule 8, and may take place only if:

- (i) the Substitute, failing which, FCA, shall, by means of the Treasury Subsidiary Substitution Deed Poll, agree to indemnify each Noteholder and Couponholder against (A) any tax, duty, assessment or governmental charge that is imposed on such Noteholder or Couponholder by (or by any subdivision or authority having the power to tax in or of) the jurisdiction of the country of the Substitute’s residence for tax purposes and, if different, of its incorporation with respect to any Note or Coupon or the New Deed of Covenant that would not have been so imposed had the substitution not been made, and (B) any tax, duty, assessment or governmental charge, and any cost or expense, relating to the substitution;
- (ii) all the provisions set forth in the Conditions with respect to FCFE as Issuer and FCA as Guarantor of the Notes shall apply to the Notes following the substitution as if the Notes were originally issued by the Substitute and guaranteed by FCA, provided that in respect of the Substitute (unless the Substitute is FCFE), the reference to “The Grand-Duchy of Luxembourg” (*where the Issuer is FCFE*) in Condition 6(b) shall be replaced by reference to the Substitute’s country of residence for tax purposes and its country of incorporation;
- (iii) the obligations of the Substitute under the Treasury Subsidiary Substitution Deed Poll, the Notes, the Coupons and the New Deed of Covenant shall be irrevocably and unconditionally guaranteed by FCA (on substantially the same terms as the Guarantee) by means of the Treasury Subsidiary Substitution Deed Poll;
- (iv) (A) all actions, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the Treasury Subsidiary Substitution Deed Poll, the Notes, the Coupons, the New Deed of Covenant and such other documentation as may be necessary to be executed by the Substitute and the original Issuer to effect the substitution (including, in respect of the Substitute, without limitation, amended and restated Final Terms reflecting the substitution) represent valid, legally binding and enforceable obligations of the Substitute and, (B) the Treasury Subsidiary Substitution Deed Poll and such other documentation as may be necessary to be executed by FCA to effect the substitution (including, without limitation, amended and restated Final Terms reflecting substitution) represent valid, legally binding and enforceable obligations of FCA have been taken, fulfilled and done and are in full force and effect;
- (v) unless the Substitute is FCFE, in order to effect the substitution, the Substitute shall have become party to the Agency Agreement, with any appropriate consequential amendments, as if it had been an original party to it and shall have entered into (A) a deed of covenant substantially in the form of the Deed of Covenant (the “**New Deed of Covenant**”) and (B), a supplemental global note, supplemental to the Global Note which represents the Notes prior to the substitution;

- (vi) the relevant stock exchange (if any) shall have confirmed that, following the proposed substitution, the Notes will continue to be listed on such stock exchange;
  - (vii) legal opinions, subject to customary assumptions and qualifications, addressed to the Noteholders shall have been delivered to them (care of the Principal Paying Agent) from lawyers or firms of lawyers with leading securities practices in the Netherlands, the jurisdiction of incorporation of the Substitute, the jurisdiction of incorporation of the substituted Issuer and in England as to the fulfilment of the preceding conditions of paragraph (iv) of this Condition 15(c) and the other matters specified in the Treasury Subsidiary Substitution Deed Poll; and
  - (viii) the Issuer shall have given at least 14 days' prior notice of such substitution to the Noteholders, in accordance with Condition 13, stating that copies, or pending execution the agreed text, of all documents in relation to the substitution that are referred to above, or that might otherwise reasonably be regarded as material to Noteholders, shall be available for inspection at the specified office of each of the Paying Agents.
- (II) Upon the execution of the Treasury Subsidiary Substitution Deed Poll by all parties thereto and the satisfaction of the other conditions set out in this Condition 15(c) and the Treasury Substitution Deed Poll, the Substitute shall succeed to and be substituted for the Issuer under the Notes and the Agency Agreement with the same effect as if it had been named as the Issuer herein and FCA shall continue to be the Guarantor of the Notes. For the avoidance of doubt, following substitution in accordance with Condition 15(c), the Original Issuer shall cease to be the Issuer under the Notes, including, without limitation, for the purposes of Condition 9(iii) and 9(v), and any such substitution shall not, of itself, trigger such events of default or constitute a Change of Control for the purposes of Condition 6(j).
- (III) Following substitution, references in Condition 9 to obligations under the Notes shall be deemed to include obligations under the Treasury Subsidiary Substitution Deed Poll, and where the Treasury Substitution Deed Poll contains a guarantee, the events listed in Condition 9 shall be deemed to include that guarantee not being (or being claimed by the guarantor not to be) in full force and effect.
- (IV) The Treasury Subsidiary Substitution Deed Poll and all documents relating to the substitution shall be delivered to, and kept by, the Principal Paying Agent. Copies of such documents will be available free of charge at the specified office of each of the Paying Agents.

For the purposes of this Condition 15, “**Treasury Subsidiary**” means any Treasury Subsidiary of the FCA Group as defined in Condition 9.

(d) ***Consent to Substitution***

By subscribing to, or otherwise acquiring the Notes, the Noteholders expressly and irrevocably: (i) consent in advance to the substitution of FCFE, FCA or any Treasury Subsidiary, as the case may be, as Issuer by FCA or a Treasury Subsidiary, as the case may be, to the extent carried out pursuant to, and in compliance with, Condition 15(a), (b) or (c); (ii) following any such substitution in accordance with Condition 15, consent to the release of FCFE, or any Treasury Subsidiary, as the case may be, which has been so substituted as Issuer from any and all obligations in respect of the Notes and any relevant agreements (other than as set out in any agreements relating to the relevant substitution) and are expressly deemed to have accepted such substitution and the consequences thereof; and (iii) direct the Principal Paying Agent to take such actions as are necessary to effect any such substitution. Any substitution shall be effected without cost or charge to the Noteholders.

**16. FURTHER ISSUES**

The Issuer shall be at liberty from time to time without the consent of the Noteholders or the Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue so that the same shall be consolidated and form a single Series with the outstanding Notes.

**17. RIGHTS OF THIRD PARTIES**

The Notes confer no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Notes, but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

## 18. GOVERNING LAW AND SUBMISSION TO JURISDICTION

- (a) **Governing law:** The Agency Agreement, the Guarantee (where applicable), the Deed of Covenant, the FCFE Substitution Deed Poll, the FCA Substitution Deed Poll, the FCFE and Subsidiary Substitution Deed Poll (in each case where relevant), the Notes and the Coupons and any non-contractual obligations arising out of or in connection with the Agency Agreement, the Guarantee (where applicable), the Deed of Covenant, the FCFE Substitution Deed Poll, the FCA Substitution Deed Poll, the FCFE and Subsidiary Substitution Deed Poll (in each case where relevant), the Notes and the Coupons will be, if executed, or are governed by, and shall (to the extent executed) be construed in accordance with, English law.
- (b) **Submission to jurisdiction:** Subject to Condition 18(d), the courts of England have jurisdiction to settle any disputes which may arise out of or in connection with the Notes and/or the Coupons, including a dispute relating to any non-contractual obligations arising out of or in connection with the Notes and/or the Coupons (a “Dispute”) and, accordingly, each of the Issuer and any Noteholders and Couponholders in relation to any Dispute submits to the jurisdiction of such courts.
- (c) For the purposes of this Condition 18, the Issuer hereby irrevocably waives any objection which it may have now or hereafter to the laying of the venue of any suit, action or proceedings (together referred to as “Proceedings”) in any such court and any claim that any such Proceedings have been brought in an inconvenient forum and hereby further irrevocably agrees that a judgment in any such Proceedings brought in the English courts shall be conclusive and binding upon it and may be enforced in the courts of any jurisdiction.
- (d) To the extent allowed by law, the Noteholders and the Couponholders may, in respect of any Dispute or Disputes, take (i) Proceedings against the Issuer in any other court of competent jurisdiction, and (ii) concurrent Proceedings in one or more jurisdictions.
- (e) **Appointment of Process Agent:** In circumstances where Fiat Chrysler Automobiles N.V. is the Issuer, the Issuer appoints Fiat Chrysler Finance Europe *société en nom collectif*, U.K. branch at its registered office for the time being in England as its agent for service of process, and undertakes that, in the event of Fiat Chrysler Finance Europe *société en nom collectif*, U.K. branch ceasing so to act or ceasing to be registered in England, it will appoint another person as its agent for service of process in England in respect of any Proceedings. The Issuer agrees that failure by a process agent to notify it of any process will not invalidate service. Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.



## **USE OF PROCEEDS**

The net proceeds from each issue of Notes will be used to finance the activities of the Group, which may include repayment or refinancing of other indebtedness.

## **REMITTANCE OF RENMINBI INTO AND OUTSIDE THE PRC**

Renminbi is not completely freely convertible at present. The PRC government continues to regulate conversion between Renminbi and foreign currencies, despite the significant reduction over the years by the PRC government of control over routine foreign exchange transactions under current accounts. However, remittance of Renminbi by foreign investors into the PRC for the purposes of capital account items, such as capital contributions, is generally only permitted upon obtaining specific approvals from, or completing specific registrations or filings with, the relevant authorities on a case-by-case basis and is subject to a strict monitoring system. Regulations in the PRC on the remittance of Renminbi into the PRC for settlement of capital account items are developing gradually. Currently the Renminbi Clearing Banks in the Permitted Areas designated by the PBOC as Renminbi settlement centres and Renminbi participating banks have been permitted to engage in the settlement of Renminbi trade transactions. This represents a current account activity.

## FIAT CHRYSLER FINANCE EUROPE

### BUSINESS AND INCORPORATION

FCFE was formed as a company with limited liability (*société anonyme*) under the laws of the Grand-Duchy of Luxembourg on June 18, 1997, for an unlimited duration. FCFE was originally named Fiat Finance and Trade Ltd., but its name was changed effective October 29, 2014. Its registered office is at 412F, Route d'Esch, L-2086 Luxembourg, Grand-Duchy of Luxembourg, its telephone number is +352 466111 3753 and it is registered in the Luxembourg trade and company register (*Registre de Commerce et des Sociétés de Luxembourg*) under number B-59500, TVA LU20771477. The articles of incorporation of FCFE have been published in the *Mémorial C, Journal Officiel du Grand-Duché de Luxembourg, Recueil Spécial des Sociétés et Associations* under number C. 384 of July 17, 1997. The articles were modified on October 9, 1997 (published in the *Mémorial C* under number 635 of November 13, 1997), on December 31, 1998 (published in the *Mémorial C* under number 237 of April 6, 1999), on June 25, 1999 (published in the *Mémorial C* under number 705 of September 22, 1999), on November 27, 2000 (published in the *Mémorial C* under number 514 of July 7, 2001), on November 12, 2004 (published in the *Mémorial C* under number 118 of February 9, 2005), on January 27, 2006 (published in the *Mémorial C* under number 792 of April 20, 2006), on October 29, 2014 (published in the *Mémorial C* under number 3646 of December 1, 2014) and on November 17, 2017 (published in *Recueil Electronique des Sociétés et Associations* under number RESA 2017 269 (L 170226258) of November 21, 2017).

The articles of incorporation of FCFE were fully restated pursuant to a notarial deed dated December 16, 2019 whereby FCFE has been transformed from a *société anonyme* into a *société en non collectif*, with effect as of close of business on December 31, 2019. Such restated articles of incorporation of FCFE have been filed with the Luxembourg Register of Commerce and Companies and have been published in *Recueil Electronique des Sociétés et Associations* under number RESA 2020\_015.390 (L 200010337) of January 20, 2020.

As part of an internal restructuring, on September 29, 2017, FCA acquired the 60 percent stake in FCFE previously held by Fiat Chrysler Finance S.p.A. As a result of this transaction, FCA became the sole shareholder of FCFE. Thereafter, on December 12, 2019, Fiat Chrysler Finance Luxembourg, a *société à responsabilité limitée* governed by the laws of Grand Duchy of Luxembourg and registered with the Luxembourg register of commerce and companies B239947, whose sole shareholder is FCA ("FCFL"), acquired from FCA, 1 share in FCFE. Consequently, FCA currently holds 13,415 of shares in FCFE and FCFL holds one share in FCFE.

On September 30, 2017, FCA acquired the entire 100 percent stake in Fiat Chrysler Finance North America, Inc. (FCFNA) and Fiat Chrysler Finance Canada Ltd. (FCFC) previously held by FCFE. FCFNA is now an indirect 100 percent owned subsidiary of FCA and FCFC is now a direct 100 percent owned subsidiary of FCA.

FCFE provides cash management and treasury services mainly to FCA Group subsidiaries based in Europe. Its object, according to Article 3 of its articles of incorporation, is the holding of participations in other companies and/or enterprises and the direct and/or indirect financing of such entities or entities being members of its group.

The registered share capital of FCFE is €86,494,000, represented by 13,416 shares without a nominal value.

On August 1, 1997, the board of directors of FCFE set up the Branch, based in London. By resolutions of FCFE dated November 22, 2019, FCFE allocated, with effect from December 31, 2019, at fair market value all of its assets and liabilities to the Branch (to the sole exception of such assets and liabilities which by nature relate to the head office) and appointed Marco Casalino as manager of the Branch.

### Directors

FCFE is managed by FCFL as sole manager whereas FCFL is managed by a board of managers. The names of the managers are listed below:

<u>NAME</u>	<u>POSITION ON BOARD</u>
Saliha Boulhais	Group A Manager
David Gubbini	Group B Manager
Chantal Mathu	Group A Manager
Marella Moretti	Group B Manager

The business address for the board of managers is 412F, Route d'Esch, L-2086 Luxembourg, Grand-Duchy of Luxembourg. The directors of FCFE do not hold any relevant positions outside the FCA Group and/or FCFE that are significant with respect to FCFE, and there are no potential conflicts of interest of the members of the board of directors between their duties to FCFE and their private interests and/or other duties.

IQ-EQ (Luxembourg) S.A., a public limited liability company (société anonyme) incorporated under the laws of Luxembourg with its registered office at 412F, Route d'Esch, L-2086 Luxembourg, Grand Duchy of Luxembourg and registered with the Register under number B.65.906, acts as the corporate services provider of FCFE and FCFL (the "Luxembourg Corporate Services Provider").

Pursuant to the terms of the corporate services agreement entered into between the Luxembourg Corporate Services Provider and FCFE, the Luxembourg Corporate Services Provider will perform in Luxembourg certain administrative, accounting and related services. In consideration of the foregoing, the Luxembourg Corporate Services Provider will receive various fees payable to it by FCFE at rates agreed upon from time to time.

FCFE's independent auditors for the financial years ended December 31, 2019 and December 31, 2018 were Ernst & Young S.A.

There are no recent events particular to FCFE which are to a material extent relevant to the evaluation of FCFE's solvency.

FCFE is in compliance with those corporate governance laws of the Grand Duchy of Luxembourg to which it may be subject, if any.

## THE FCA GROUP

The FCA Group is a global automotive group engaged in designing, engineering, manufacturing, distributing and selling vehicles, components and production systems worldwide through over a hundred manufacturing facilities and over forty research and development centres. The Group has operations in more than forty countries and sells its vehicles directly or through distributors and dealers in more than a hundred and thirty countries. The Group designs, engineers, manufactures, distributes and sells vehicles for the mass-market under the Abarth, Alfa Romeo, Chrysler, Dodge, Fiat, Fiat Professional, Jeep, Lancia and Ram brands and the SRT performance vehicle designation. For its mass-market vehicle brands, the Group has centralised design, engineering, development and manufacturing operations, which allows the Group to efficiently operate on a global scale. The Group supports its vehicle shipments with the sale of related service parts and accessories, as well as service contracts, worldwide under the Mopar brand name for mass-market vehicles. In addition, the Group designs, engineers, manufactures, distributes and sells luxury vehicles under the Maserati brand. The Group makes available retail and dealer financing, leasing and rental services through the Group's subsidiaries, joint ventures and commercial arrangements with third party financial institutions.

In addition, the Group operates in the components and production systems sectors under the Teksid and Comau brands. During December 2019, FCA announced that it had entered into an agreement with Tupy S.A. for the sale of Teksid's global cast iron automotive components business. The agreement values the business at €210 million enterprise value. As announced in December 2019, FCA will continue work on the separation of its holding in Comau, which will be separated promptly following closing of the proposed merger with Groupe PSA.

In 2019, the Group shipped 4.4 million vehicles (including the Group's unconsolidated joint ventures), resulting in Net revenues of €108.2 billion and Net profit of €6.6 billion, of which €2.7 billion was attributable to continuing operations, and generated €2.1 billion of Industrial free cash flows. At December 31, 2019, the Group's available liquidity was €23.1 billion (including €7.6 billion available under undrawn committed credit lines).

## HISTORY OF THE GROUP

Fiat Chrysler Automobiles N.V. was incorporated as a public limited liability company (*naamloze vennootschap*) under the laws of the Netherlands on April 1, 2014 and became the parent company of the Group on October 12, 2014. Its principal office is located at 25 St. James's Street, London SW1A 1HA, United Kingdom (telephone number: +44 (0) 20 7766 0311).

Fiat S.p.A., the predecessor to FCA, was founded as *Fabbrica Italiana Automobili Torino*, on July 11, 1899 in Turin, Italy as an automobile manufacturer. In 1902, Giovanni Agnelli, Fiat's founder, became the Managing Director of the company.

FCA US LLC, then known as Chrysler Group LLC, ("FCA US") acquired the principal operating assets of the former Chrysler LLC in 2009 as part of a government-sponsored restructuring of the North American automotive industry. Between 2009 and 2014, Fiat S.p.A. expanded its initial 20 percent ownership interest to 100 percent of the ownership of FCA US and on October 12, 2014, Fiat S.p.A. completed a corporate reorganisation resulting in the establishment of FCA NV as the parent company of the Group, with its principal executive offices in the United Kingdom. FCA common shares commenced trading on the Milan Mercato Telematico Azionario ("MTA") and the New York Stock Exchange ("NYSE") on October 13, 2014. As a result, FCA NV, as successor of Fiat S.p.A., is the parent company of the Group.

In January 2011, the separation of Fiat S.p.A.'s non-automotive capital goods business was completed with the creation of Fiat Industrial, now known as CNH Industrial N.V.

The spin-off of Ferrari N.V. from the Group was completed in January 2016. The assets and liabilities of the Ferrari segment were distributed to holders of FCA shares and mandatory convertible securities.

## Magneti Marelli Sale

On October, 22, 2018, FCA announced a definitive agreement to sell its Magneti Marelli business to CK Holdings, Co., Ltd completing the sale on May 2, 2019.

## **FCA-PSA Merger**

On December 17, 2019, FCA and PSA entered into a combination agreement (the “combination agreement”) providing for a merger of their businesses (the “merger”). In addition, certain shareholders of FCA and PSA have made undertakings to support the merger and, among other things, vote their shares in favour of the merger at their respective extraordinary general meetings of shareholders. Below is a summary of the transaction and the main provisions of the combination agreement and the shareholders’ undertakings.

*The following summary is qualified in all respects by reference to the complete text of the combination agreement and the shareholders’ undertakings.*

### ***Transaction structure and merger consideration***

If the merger is approved by the requisite votes of FCA’s shareholders and the PSA shareholders and the other conditions precedent to the merger are satisfied or, to the extent permitted under the combination agreement and by applicable law, waived, PSA will be merged with and into the Company. The combined company (“DutchCo”) will be named by mutual agreement of the Company and PSA with effect from the day immediately following completion of the merger.

The closing of the merger shall take place on the second Friday after satisfaction or (to the extent permitted under the combination agreement and by applicable law) waiver of the closing conditions and the merger shall be effective at midnight (Central European Time) following the signing of the merger deed (the “Effective Time”), at which time, the separate corporate existence of PSA shall cease, and DutchCo shall continue as the sole surviving corporation, and, by operation of law, DutchCo, as successor, shall succeed to and assume all of the rights and obligations, as well as the assets and liabilities, of PSA in accordance with Dutch law and French law.

At the Effective Time, by virtue of the merger and without any action on the part of any holder of PSA ordinary shares or FCA N.V. common shares, PSA shareholders will have the right to receive 1.742 DutchCo common shares for each PSA ordinary share that they hold and each issued and outstanding common share of FCA shall remain unchanged as one (1) common share in DutchCo. There will be no carryover of the existing double voting rights currently held by Exor in the Company pursuant to the existing Company loyalty voting structure. To that end, the combination agreement provides that at the Effective Time all special voting shares of the Company held by Exor will be reacquired by DutchCo for no consideration.

The combination agreement provides that DutchCo will have its tax residence in the Netherlands.

### ***Governance of DutchCo***

The combination agreement provides for certain arrangements relating to the governance of DutchCo, including causing DutchCo to adopt, immediately following the Effective Date, new articles of association, board regulations and a loyalty voting program in the agreed form. The principal terms of such governance arrangements are summarised below.

#### ***DutchCo board composition***

The combination agreement provides that, after closing of the merger, the board of directors of DutchCo (the “DutchCo Board”) shall be a single tier board initially composed of 11 members, including the following initial directors:

- the CEO of DutchCo;
- two (2) Independent Directors nominated by the Company;
- two (2) Independent Directors nominated by PSA;
- two (2) directors nominated by Exor;
- one (1) director nominated by Bpifrance (Bpifrance shall include jointly Bpifrance Participations S.A. and its wholly-owned subsidiary Lion Participations SAS. (or EPF/FFP, as further described below));
- one (1) director nominated by EPF/FFP; and

- two (2) employee representatives.

For these purposes, “Independent Director” means a director meeting the independence requirements under the Dutch Corporate Governance Code and, with respect to members of the Audit Committee, also meeting the independence requirements of Rule 10A-3 under the Exchange Act, and the NYSE listing requirements.

#### *Nomination rights*

The rights of Exor, EPF/FFP and Bpifrance to nominate the number of directors mentioned above also apply to future terms of office of the DutchCo Board; provided that:

- if the number of DutchCo common shares held by Bpifrance, and/or any of its affiliates, or EPF/FFP, and/or any of its affiliates, falls below 5 percent of the issued and outstanding DutchCo common shares, such shareholder shall no longer be entitled to nominate a director (in which case any director nominated by Bpifrance or EPF/FFP, as the case may be, shall be required to promptly resign); and
- if, at the Effective Time, at any time within the six (6) years following the closing of the merger or on the sixth (6<sup>th</sup>) anniversary of the closing of the merger, both: (i) the number of DutchCo common shares held by EPF/FFP and/or their affiliates increases to 8 percent or more of the issued and outstanding DutchCo common shares; and (ii) the number of DutchCo common shares held by Bpifrance and/or its affiliates falls below 5 percent of the issued and outstanding DutchCo common shares, then EPF/FFP shall be entitled to nominate a second director to the DutchCo Board to replace the Bpifrance nominee (the “EPF/FFP Additional Director”),

As an exception to the foregoing, if, at the Effective Time or within six (6) years of the Effective Time:

- the number of DutchCo common shares held by Bpifrance and its affiliates, on the one hand, or EPF/FFP and its affiliates, on the other hand, represents between 4 percent and 5 percent of the issued and outstanding DutchCo common shares (the “Threshold Stake”);
- either Bpifrance or EPF/FFP has not lost its right to nominate a director in accordance with the preceding paragraph; and
- the number of DutchCo common shares held by Bpifrance, EPF/FFP and their respective affiliates represents, in aggregate, 8 percent or more of the issued and outstanding DutchCo common shares,

The shareholder which holds the Threshold Stake will maintain its right to nominate a director to the DutchCo Board until the sixth (6<sup>th</sup>) anniversary of the closing of the merger (it being understood that while Bpifrance is entitled to nominate a director pursuant to this proviso, EPF/FFP shall not be entitled to nominate the EPF/FFP Additional Director).

Additionally, Exor’s right to nominate directors will decrease in the event Exor and/or its affiliates reduce their equity ownership in DutchCo as follows:

- if the number of shares held by Exor and/or its affiliates falls below the number of shares corresponding to 8 percent of the issued and outstanding DutchCo common shares, Exor will be entitled to nominate one (1) director instead of two (2); and
- if the number of shares held by Exor and/or its affiliates falls below the number of shares corresponding to 5 percent of the issued and outstanding DutchCo common shares, Exor will no longer be entitled to nominate a director.

In such cases, the director designated by Exor for resignation from among the directors nominated by Exor shall be required to resign as promptly as reasonably practicable after the number of DutchCo common shares held by Exor and/or its affiliates falls below the applicable threshold.

Any event or series of events (including any issue of new shares) other than a transfer (including transfer under universal title) of PSA shares or DutchCo shares shall be disregarded for the purpose of determining whether the applicable shareholder reaches the relevant threshold(s).

### *Initial management of DutchCo*

The combination agreement provides that the following positions shall be filled by the following individuals from the day immediately after the closing of the merger:

- Chairman: John Elkann;
- CEO: Carlos Tavares;
- Vice Chairman: a director nominated by EPF/FFP; and
- Senior Independent Director: an Independent Director nominated by PSA.

The initial term of office of each of the Chairman, CEO, Senior Independent Director and Vice Chairman shall be five (5) years, in each case beginning on the day immediately after the closing of the merger. The initial term of office for each of the other directors shall be four (4) years. Mr. Elkann and Mr. Tavares will be the only executive directors.

The board regulations provide that in addition to the Chairman's other powers set out in the board regulations, if the Chairman is an executive director, he or she will be consulted and work together with the CEO on that basis on important strategic matters affecting DutchCo as set forth in the board regulations.

In addition to his/her powers set out in the DutchCo articles of association and board regulations, the CEO will be responsible for the management of DutchCo in accordance with the Dutch Civil Code and will be vested with full authority to represent DutchCo individually.

The Senior Independent Director (acting as the *voorzitter* under Dutch Law) shall preside over the meetings of the DutchCo Board and shall be vested with the powers to convene the board and the general meetings of shareholders of DutchCo.

### *Voting Limitations*

The combination agreement provides that under the DutchCo articles of association no shareholder, acting alone or in concert, together with votes exercised by affiliates of such shareholder or pursuant to proxies or other arrangements conferring the right to vote, may cast 30 percent (the "Voting Threshold") or more of the votes cast at any general meeting of shareholders of DutchCo, including after giving effect to any voting rights exercisable through DutchCo special voting shares. Any voting right in excess of the Voting Threshold will be suspended. Furthermore, the DutchCo articles of association will provide that, before each shareholders' meeting, any shareholder holding voting rights in excess of the Voting Threshold shall notify DutchCo of its shareholding and total voting rights in DutchCo and provide, upon request by DutchCo, any information necessary to ascertain the composition, nature and size of the equity interest of that person and any other person acting in concert with it. This restriction (i) may be removed by the affirmative vote of the holders of two-thirds of the issued and outstanding DutchCo common shares (for the avoidance of doubt, without giving effect to any voting rights exercisable through DutchCo special voting shares, and subject to the aforementioned 30 percent voting cap) and (ii) shall lapse upon any person holding more than 50 percent of the issued and outstanding DutchCo common shares (other than DutchCo special voting shares) as a result of a tender offer for DutchCo common shares.

### *Shareholders' matters*

Each of Exor, Bpifrance, EPF/FFP and Dongfeng (each a "Reference Shareholder"), in its capacity as shareholder of PSA or FCA, as applicable, has entered into a letter agreement (a "Letter Agreement") with PSA or FCA, as applicable, setting forth, among other things, the following undertakings relating to the merger and the future governance of DutchCo:

- *Support of the merger* - each Reference Shareholder has undertaken to vote or cause to be voted all shares owned or controlled by it or as to which it has the power to vote in favour of any decision in furtherance of the approval of the transactions contemplated by the combination agreement that is submitted to the shareholders;



- *Standstill* - each Reference Shareholder shall be restricted from buying shares to increase its interest in PSA, FCA (before the merger) or DutchCo for a period ending seven years following the Effective Time, except that EPF/FFP may increase its shareholding by up to a maximum of 2.5 percent in DutchCo (or 5 percent in PSA) by acquiring shares from Bpifrance and/or Dongfeng and/or on the market, provided that market acquisitions may not represent more than 1 percent of the DutchCo common shares or 2 percent of the PSA ordinary shares plus, if applicable, the percentage of DutchCo common shares (or PSA ordinary shares) sold by Bpifrance to buyers other than EPF/FFP or any of its affiliates;
- *Lock-up* - from the date of the combination agreement until 3 years after closing of the merger, Exor, Bpifrance and EPF/FFP will be subject to a lock-up in respect of their shareholdings in the relevant company before closing of the merger and in DutchCo thereafter, except that Bpifrance will be permitted to reduce its shareholdings by 5 percent in PSA or 2.5 percent in DutchCo; and
- *Dongfeng buy-back* - Dongfeng has agreed to sell, and PSA has agreed to buy, 30.7 million PSA ordinary shares prior to closing of the merger (the ordinary shares repurchased by PSA will be cancelled). Notwithstanding the above, Dongfeng may sell all or part of such shares to third parties prior to the closing of the merger, in which case the purchase by PSA described in the prior sentence will apply to the balance of such 30.7 million PSA ordinary shares not otherwise sold by Dongfeng. Dongfeng is subject to a lock up until the Effective Time for the balance of its participation in PSA, resulting in an ownership of 4.5 percent in DutchCo immediately after the Effective Time.

#### ***Certain covenants***

In addition to making reciprocal customary representation and warranties and agreeing to customary restrictions on their respective operations as from the time of the combination agreement until the Effective Time, FCA and PSA each have agreed to take certain actions between the date of the combination agreement and the Effective Time, such as the seeking of competition law and other regulatory approvals, the making of stock exchange and securities filings, and the application for listing of the DutchCo common shares issued in connection with the merger on the NYSE, Euronext Paris and the MTA prior to the closing date of the merger.

#### ***Pre-merger distributions***

Prior to the Effective Time (i) an extraordinary cash distribution of €5.5 billion may be paid by FCA to its shareholders, (ii) an ordinary dividend for an amount of €1.1 billion in respect of the fiscal year ending December 31, 2019 may be paid by each of the Company and PSA and (iii) if the closing of the merger has not occurred before the 2021 annual general meetings of PSA and the Company, an ordinary dividend in respect of the fiscal year ending December 31, 2020 for an amount to be agreed by the Company and PSA on the basis of their respective distributable amounts shall be paid by each of PSA and the Company, in the case of (ii) and (iii) subject to the availability of sufficient distributable amounts.

#### ***Faurecia distribution***

PSA is permitted to distribute to its shareholders by special or interim dividend all of the shares held by PSA in Faurecia prior to the Effective Time with no material changes in any currently existing commercial arrangements between PSA and Faurecia, other than amendments in the ordinary course.

#### ***Comau separation***

Promptly following the Effective Time, DutchCo is permitted to allocate to its shareholders through a demerger or similar transaction all the shares held by DutchCo in Comau or implement other value-creating alternative structures, including the sale of all the shares held by DutchCo in Comau (each of such transactions, the “Comau Separation”). The Company shall, prior to the closing of the merger, work diligently to prepare for the Comau Separation to enable the Comau Separation to be completed promptly following the closing of the merger, including by establishing the perimeter, capital structure and governance of Comau in consultation with PSA and, if applicable, preparing all necessary documentation for the listing of Comau shares on the appropriate securities exchange.

#### ***Other provisions***

The combination agreement contains customary exclusivity provisions requiring the parties to refrain from soliciting any acquisition proposal from third-parties as well as covenants requiring the board of directors of each of the Company and PSA

to recommend that their respective shareholders approve the transaction, subject to limited exceptions to ensure compliance with the directors' fiduciary duties in connection with a superior proposal.

The obligation of each party to effect the merger is subject to customary closing conditions, including the absence of a material adverse effect with respect to the other party, regulatory clearances and approval by the shareholders of PSA and the Company.

## **OVERVIEW OF THE GROUP'S BUSINESS**

As of the date of this Base Prospectus, the Group's activities are carried out through five reportable segments:

- (i) North America: the Group's operations to support distribution and sale of mass-market vehicles in the United States, Canada, Mexico and Caribbean islands, primarily under the Jeep, Ram, Dodge, Chrysler, Fiat, Alfa Romeo and Abarth brands.
- (ii) LATAM: the Group's operations to support the distribution and sale of mass-market vehicles in South and Central America, primarily under the Fiat, Jeep, Dodge and Ram brands, with the largest focus of its business in Brazil and Argentina.
- (iii) APAC: the Group's operations to support the distribution and sale of mass-market vehicles in the Asia Pacific region (mostly in China, Japan, India, Australia and South Korea) carried out in the region through both subsidiaries and joint ventures, primarily under the Jeep, Fiat, Alfa Romeo, Abarth, Fiat Professional, Ram and Chrysler brands.
- (iv) EMEA: the Group's operations to support the distribution and sale of mass-market vehicles in Europe (which includes the 27 members of the European Union, the UK and the members of the European Free Trade Association), the Middle East and Africa, primarily under the Fiat, Fiat Professional, Jeep, Alfa Romeo, Lancia, Abarth, Ram and Dodge brands.
- (v) Maserati: the design, engineering, development, manufacturing, worldwide distribution and sale of luxury vehicles under the Maserati brand.

During 2019, the Group's previously reported "NAFTA" segment was renamed "North America" in response to the expected ratification of the United States-Mexico-Canada Agreement ("USMCA"). Other than the change of name, no other changes were made to the segment.

The Group also owns or holds interests in companies operating in other activities and businesses. These activities are grouped under "Other Activities", which primarily consists of the Group's industrial automation systems design and production business, under the Comau brand name, and the Group's cast iron and aluminium business, which produces cast iron components for engines, gearboxes, transmissions and suspension systems, and aluminium cylinder heads and engine blocks, under the Teksid brand name, as well as companies that provide services, including accounting, payroll, tax, insurance, purchasing, information technology, facility management and security for the Group, and manage central treasury activities.

### ***Design and Manufacturing***

The Group sells mass-market vehicles in the sport utility vehicles ("SUVs"), passenger car, truck and light commercial vehicle markets. The Group's SUV and crossover utility vehicles ("CUVs") portfolio includes the all-new Jeep Gladiator, all-new Jeep Commander PHEV, Jeep Grand Cherokee, Jeep Cherokee, Jeep Wrangler, Jeep Renegade, Jeep Compass, Maserati Levante, Dodge Durango, Dodge Journey and Alfa Romeo Stelvio. The Group's passenger car product portfolio includes vehicles such as the Fiat 500, Alfa Romeo Giulia, Maserati Quattroporte, Dodge Challenger and Charger, Chrysler 300, Lancia Ypsilon and minivans such as the Chrysler Pacifica. The Group sells light and heavy-duty pickup trucks such as the Ram 1500, all-new Ram 2500/3500, the Fiat Toro and Fiat Fullback and chassis cabs such as the all-new Ram 3500/4500/5500. The Group's light commercial vehicles include vans such as the Fiat Professional Doblò, Fiat Professional Ducato and Ram ProMaster.

The Group has deployed World Class Manufacturing ("WCM") principles throughout its manufacturing operations. WCM principles were developed by the WCM Association, a non-profit organisation dedicated to developing superior manufacturing standards. The Group is the only original equipment manufacturer ("OEM") that is a member of the WCM Association. WCM fosters a manufacturing culture that targets improved safety, quality and efficiency, as well as the elimination of all types of

waste. Unlike some other advanced manufacturing programmes, WCM is designed to prioritise issues, focus on those initiatives believed likely to yield the most significant savings and improvements, and direct resources to those initiatives. The Group also offers several types of WCM programmes to the Group's suppliers whereby they can learn and incorporate WCM principles into their own operations.

### *Sales Overview*

The Group's new vehicle sales represent sales of FCA vehicles primarily by dealers and distributors, or, directly by the Group in some cases, to retail customers and fleet customers. Sales include mass-market and luxury vehicles manufactured at the Group's plants, as well as vehicles manufactured by the Group's joint ventures and third party contract manufacturers and distributed under the Group's brands. The Group's sales figures exclude sales of vehicles that it contract manufactures for other OEMs. While vehicle sales are illustrative of the Group's competitive position and the demand for the Group's vehicles, sales are not directly correlated to the Group's Net revenues, Cost of revenues or other measures of financial performance in any given period, as such results are primarily driven by the Group's vehicle shipments to dealers and distributors.

The following table shows the Group's new vehicle sales by reportable segment for the periods presented:

	<b>Years ended December 31,</b>	
	<b>2019</b>	<b>2018</b>
	(millions of units)	
North America	2.5	2.5
LATAM	0.6	0.6
APAC	0.2	0.2
EMEA	1.3	1.4
<b>Total Mass-Market Vehicle Brands</b>	<b>4.6</b>	<b>4.7</b>
Maserati	0.03	0.04
<b>Total Worldwide</b>	<b>4.6</b>	<b>4.8</b>

### *North America*

#### *North America Sales and Competition*

The following table presents the Group's mass-market vehicle sales and estimated market share in the North America segment for the periods presented:

	<b>Years ended December 31,</b>			
	<b>2019<sup>(1),(2)</sup></b>		<b>2018<sup>(1),(2)</sup></b>	
<b>North America</b>	<b>Sales</b>	<b>Market Share</b>	<b>Sales</b>	<b>Market Share</b>
	Thousands of units (except percentages)			
U.S.	2,204	12.6%	2,235	12.6%
Canada	223	11.6%	225	11.3%
Mexico and Other	63	4.7%	74	5.1%
<b>Total</b>	<b>2,490</b>	<b>12.0%</b>	<b>2,534</b>	<b>12.0%</b>

(1) Certain fleet sales that are accounted for as operating leases are included in vehicle sales.

(2) Estimated market share data presented are based on management's estimates of industry sales data, which use certain data provided by third-party sources, including IHS Markit and Ward's Automotive.

The following table presents the estimated new vehicle market share information for the Group and its principal competitors in the U.S., its largest market in the North America segment:

U.S. Automaker	Years ended December 31	
	2019	2018
	<b>Percentage of industry</b>	
GM	16.5%	16.7%
Ford	13.8%	14.1%
Toyota	13.6%	13.7%
<b>FCA</b>	<b>12.6%</b>	<b>12.6%</b>
Honda	9.2%	9.1%
Nissan	7.7%	8.4%
Hyundai/Kia	7.6%	7.2%
Other	19.0%	18.2%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

U.S. industry sales, including medium- and heavy-duty vehicles, increased from 10.6 million units in 2009 to 17.5 million units in 2019. The strong recovery in the automotive sector, from 2009 through 2019, was supported by robust macroeconomic and automotive specific factors, such as growth in per capita disposable income, improved consumer confidence, the increasing age of vehicles in operation, improved consumer access to affordably priced financing and higher prices of used vehicles.

The vehicle line-up in the North America segment leverages the brand recognition of the Jeep, Ram, Dodge and Chrysler brands to offer utility vehicles, pickup trucks, cars and minivans under those brands. The Group's vehicle sales and profitability in the North America segment are generally weighted towards larger vehicles such as utility vehicles, trucks and vans, consistent with overall industry sales trends in the North America segment, which have become increasingly weighted towards utility vehicles and trucks in recent years.

The Group's 2019 sales were at a comparable level to 2018, primarily from the strong performance of the Ram brand, for which growth was underpinned by the launch of Ram Heavy Duty and supported by higher sales of Ram Light Duty, as well as the launch of the all-new Jeep Gladiator, despite lower overall shipments.

#### *North America Distribution*

In the North America segment, the Group's vehicles are sold primarily to dealers in the Group's dealer network for sale to retail consumers and to fleet customers. Fleet sales in the commercial channel are typically more profitable than sales in the government and daily rental channels since they more often involve customised vehicles with more optional features and accessories; however, vehicle orders in the commercial channel are usually smaller in size than the orders made in the daily rental channel. Fleet sales in the government channel are generally more profitable than fleet sales in the daily rental channel primarily due to the mix of products included in each respective channel.

#### *North America Dealer and Customer Financing*

In the North America segment, the Group does not have a captive finance company or joint venture and instead relies upon independent financial service providers including Santander Consumer USA Inc. ("SCUSA") to provide financing for dealers and retail customers in the U.S. In February 2013, the Group entered into a private label financing agreement with SCUSA (the "SCUSA Agreement"), under which SCUSA provides a wide range of wholesale and retail financial services to the Group's dealers and retail customers in the U.S., under the Chrysler Capital brand name and covering the Chrysler, Jeep, Dodge, Ram, Fiat, and Alfa Romeo brands.

The SCUSA Agreement has a ten-year term from February 2013, subject to early termination in certain circumstances, including the failure by a party to comply with certain of its ongoing obligations under the agreement. Under the SCUSA Agreement, SCUSA has certain rights, including limited exclusivity to participate in specified minimum percentages of certain retail financing rate subvention programmes. SCUSA’s exclusivity rights are subject to SCUSA maintaining certain performance standards and price competitiveness based on minimum approval rates and market benchmark rates to be determined through a steering committee process as set out in the SCUSA Agreement. SCUSA and FCA US have been in continual discussion regarding performance under the SCUSA Agreement. The parties entered into a tolling agreement in July 2018 with respect to the SCUSA Agreement, pursuant to which, among other things, the parties agreed each party shall fully preserve and retain its respective rights, claims and defences as they existed on April 30, 2018.

On June 28, 2019, FCA US entered into an amendment (the “Amendment”) to the SCUSA Agreement. The Amendment modified certain terms of the agreement, with the remaining term unchanged until February 2023, and in connection with its execution, SCUSA made a one-time, nonrefundable, non-contingent, cash payment of U.S.\$60 million (€53 million) to FCA US as part of a negotiated resolution of open matters.

As of December 31, 2019, SCUSA was providing wholesale lines of credit to approximately 10 percent of the Group’s dealers in the U.S., while Ally Financial Inc. (“Ally”) was at 33 percent. For the year ended December 31, 2019, the Group estimates that approximately 87 percent of the vehicles purchased by the Group’s U.S. retail customers were financed or leased, of which approximately 55 percent were financed or leased through SCUSA (40 percent) and Ally (15 percent). Alfa Romeo brand development within the U.S. is also supported by dealer and retail customer financing with primary financial institutions. Additionally, the Group has arrangements with a number of financial institutions to provide a variety of dealer and retail customer financing programmes in Canada and a private label agreement with Inbursa Group in Mexico.

## **LATAM**

### *LATAM Sales and Competition*

The following table presents the Group’s mass-market vehicle sales and market share in the LATAM segment for the periods presented:

LATAM	Years ended December 31,			
	2019 <sup>(1)</sup>		2018 <sup>(1)</sup>	
	Sales	Market Share	Sales	Market Share
	<b>Thousands of units (except percentages)</b>			
Brazil	497	18.7%	434	17.5%
Argentina	54	12.4%	99	12.8%
Other LATAM	29	2.7%	33	2.9%
<b>Total</b>	<b>580</b>	<b>13.9%</b>	<b>566</b>	<b>12.8%</b>

(1) Estimated market share data presented are based on management’s estimates of industry sales data, which use certain data provided by third-party sources, including IHS Markit, National Organisation of Automotive Vehicles Distribution and Association of Automotive Producers.

The following table presents the Group's mass-market vehicle market share information and its principal competitors in Brazil, the Group's largest market in the LATAM segment:

<b>Brazil</b>	<b>Years ended December 31,</b>	
	<b>2019<sup>(1)</sup></b>	<b>2018<sup>(1)</sup></b>
<b>Automaker</b>	<b>Percentage of industry</b>	
<b>FCA</b>	<b>18.7%</b>	<b>17.5%</b>
GM	17.9%	17.6%
Volkswagen	15.6%	14.8%
Ford	8.2%	9.2%
Other	39.6%	40.9%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

(1) The Group's estimated market share data presented are based on management's estimates of industry sales data, which use certain data provided by third-party sources, including IHS Markit, National Organisation of Automotive Vehicles Distribution and Association of Automotive Producers.

The automotive industry volumes within the countries in which the LATAM segment operates decreased 5 percent from 2018 to 4.2 million vehicles (cars and light commercial vehicles) in 2019, which was primarily driven by a 43 percent decline in vehicle sales in Argentina, reflecting the impact of the Argentina economic downturn, partially offset by a 7.6 percent increase in vehicle sales in Brazil, reflecting continued improvement in market conditions.

The Group's market share in LATAM increased 110 basis points from 12.8 percent to 13.9 percent, primarily reflecting market share growth in Brazil. In Brazil, overall market share increased 120 basis points to 18.7 percent from 17.5 percent while, in Argentina, overall market share decreased 40 basis points to 12.4 percent from 12.8 percent in 2018.

The Group's vehicle line-up in LATAM leverages the brand recognition of Fiat, as well as the relatively urban population of countries like Brazil, to offer vehicles in smaller segments, such as the Fiat Mobi, Argo and Cronos. Fiat also leads the pickup truck market in Brazil, with the Fiat Strada (22.3 percent market share) and the Fiat Toro (19.1 percent market share). Jeep leads the small and medium SUV segments in Brazil with the Jeep Renegade (11.5 percent market share) and the Jeep Compass (10.1 percent market share).

#### *LATAM Distribution*

In the LATAM segment, the Group generally enters into multiple dealer agreements with individual dealerships. Outside the Group's major markets of Brazil and Argentina, the Group mainly distributes its vehicles through general distributors.

#### *LATAM Dealer and Customer Financing*

In the LATAM segment, the Group provides access to dealer and retail customer financing both through 100 percent owned captive finance companies and also through strategic relationships with financial institutions.

The Group has two 100 percent owned captive finance companies in the LATAM segment that offer dealer and retail customer financing: Banco Fidis S.A. ("Banco Fidis") in Brazil and FCA Compañía Financiera S.A. in Argentina. In addition, in Brazil, the Group has two significant commercial partnerships with Banco Itaú and Bradesco to provide financing to retail customers purchasing FCA branded vehicles. Banco Itaú is a leading vehicle retail financing company in Brazil, and this partnership was renewed in August 2013 for a ten-year term ending in 2023. Under this agreement, which applies only to the Group's retail customers purchasing Fiat branded vehicles, Banco Itaú has exclusivity on the Group's promotional campaigns and preferential rights on non-promotional financing. The Group receives commissions in connection with each vehicle financing above a certain threshold. In July 2015, FCA Fiat Chrysler Automoveis Brasil ("FCA Brasil") and Banco Fidis signed a ten-year partnership contract with Bradesco, one of the leading Brazilian banks, through its affiliate Bradesco Financiamentos, whereby Bradesco Financiamentos finances retail sales of Jeep, Chrysler, Dodge and Ram vehicles in Brazil. Under this agreement, Bradesco has exclusivity on promotional campaigns and FCA Brasil promotes Bradesco as its official financial

partner. Banco Fidis is in charge of the commercial management of this partnership and receives commissions for this partnership agreement and for acting as banking agent, based on profitability and penetration.

## APAC

### APAC Sales and Competition

The following table presents the Group's vehicle sales and market share in the APAC segment for the periods presented:

APAC	Years ended December 31,			
	2019 <sup>(1),(4)</sup>		2018 <sup>(1),(4)</sup>	
	Sales	Market Share	Sales	Market Share
	Thousands of units (except percentages)			
China <sup>(2)</sup>	92	0.4%	163	0.8%
Japan	24	0.6%	22	0.5%
India <sup>(3)</sup>	12	0.4%	19	0.6%
Australia	9	0.8%	11	1.0%
South Korea	10	0.7%	8	0.5%
APAC 5 major Markets	147	0.5%	223	0.7%
Other APAC	5	—	5	—
<b>Total</b>	<b>152</b>	<b>—</b>	<b>228</b>	<b>—</b>

(1) Estimated market share data presented are based on management's estimates of industry sales data, which use certain data provided by third-party sources, including IHS Markit and China Association of Automobile Manufacturers. Effective January 2019, industry data sourced from China Passenger Car Association.

(2) Sales data include vehicles shipped by the Group's joint venture in China.

(3) India market share is based on wholesale volumes.

(4) Sales reflect retail deliveries. APAC industry reflects aggregate for major markets where the Group competes (China, Australia, Japan, South Korea, and India). Market share is based on retail registrations except, as noted above, in India where market share is based on wholesale volumes.

The automotive industry in the APAC segment has shown a year-over-year decline, with industry sales in the five key markets (China, India, Japan, Australia and South Korea) decreasing by 6 percent to 31.2 million. Overall for the ten year period in the five key markets in which the Group competes, industry sales have increased from 16.1 million in 2009 to 31.2 million in 2019, a compound annual growth rate ("CAGR") of approximately 7 percent. Industry demand decreased from 2018 to 2019 with decreases in China (-7 percent), Australia (-8 percent), India (-12 percent), South Korea (-2 percent), and Japan (-2 percent).

The Group sells a range of vehicles in the APAC segment, including small and compact cars and utility vehicles. Although the Group's smallest mass-market segment by vehicle sales, the Group believes that the APAC segment represents a significant growth opportunity and has invested in building relationships with key joint venture partners in China and India in order to increase its presence in the region. In 2010, GAC Fiat Chrysler Automobiles Co. (the "GAC FCA JV"), the Group's joint venture with Guangzhou Automobiles Group Co. Ltd., was formed. In 2015, the Group expanded local production through the GAC FCA JV with the production of the Jeep Cherokee and in 2016 the Jeep Renegade and the Jeep Compass. In 2016, the Jeep brand also made its return to India, with the launches of the imported Jeep Wrangler and Jeep Grand Cherokee. In 2017 the Group launched the imported Alfa Romeo Giulia and Alfa Romeo Stelvio in China and local production of the Jeep Compass was launched in the Ranjangaon, India plant for sale in India and other right-hand drive countries. In 2018, the Group launched the Grand Commander in China, a premium seven-seater SUV produced at the GAC FCA JV plant in Changsha, China. In 2019, the Group launched the all-new Jeep Commander PHEV, a 5-passenger plug-in hybrid SUV developed for China. In other parts of the APAC segment, the Group distributes vehicles that it manufactures in the U.S., Europe and India through its dealers and distributors.

## APAC Distribution

In the key markets in the APAC segment (China, Australia, India, Japan and South Korea), the Group sells its vehicles through 100 percent owned subsidiaries or through its joint venture to local independent dealers. In other markets where the Group does not have a substantial presence, it has agreements with general distributors.

## APAC Dealer and Customer Financing

In the APAC segment, the Group operates a 100 percent owned captive finance company, FCA Automotive Finance Co., Ltd, which supports, its sales activities in China on a non-exclusive basis through dealer and retail customer financing. Cooperation agreements are also in place with third-party financial institutions to provide dealer network and retail customer financing in India, South Korea, Australia and Japan.

## EMEA

### EMEA Sales and Competition

The following table presents the Group's vehicle sales in the EMEA segment for the periods presented:

EMEA	Years ended December 31			
	2019 <sup>(1),(2),(3)</sup>		2018 <sup>(1),(2),(3)</sup>	
	Sales	Market Share	Sales	Market Share
	Thousands of units (except percentages)			
Italy	521	24.8%	571	27.3%
Germany	130	3.3%	155	4.0%
France	127	4.7%	139	5.3%
Spain	87	5.9%	97	6.4%
UK	53	2.0%	62	2.3%
Other Europe	244	4.7%	252	4.9%
Europe*	1,162	6.4%	1,276	7.1%
Other EMEA**	165	—	152	—
<b>Total</b>	<b>1,327</b>	<b>—</b>	<b>1,428</b>	<b>—</b>

\* 28 members of the European Union (including the UK for the periods presented) and members of the European Free Trade Association (other than Italy, Germany, UK, France, and Spain).

\*\* Market share not included in Other EMEA because the Group's presence is less than one percent.

(1) Certain fleet sales accounted for as operating leases are included in vehicle sales.

(2) Estimated market share data is presented based on the European Automobile Manufacturers Association (ACEA) Registration Databases and national Registration Offices databases.

(3) Sale data includes vehicle sales by the Group's joint venture in Turkey.



The following table summarises the Group's new passenger vehicle market share information and its principal competitors in Europe, its largest market in the EMEA segment:

Europe-Passenger Cars	Years ended December 31	
	2019 <sup>(*)</sup>	2018 <sup>(*)</sup>
<b>Automaker</b>	<b>Percentage of industry</b>	
Volkswagen	24.5%	23.9%
PSA	15.6%	16.0%
Renault	10.5%	10.5%
Hyundai/Kia	6.7%	6.7%
BMW	6.6%	6.6%
Daimler	6.4%	6.2%
Ford	6.1%	6.4%
<b>FCA<sup>(2)</sup></b>	<b>6.0%</b>	<b>6.5%</b>
Toyota	5.0%	4.9%
Other	12.6%	12.3%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>

(1) Including all 28 European Union (EU) Member States (including the UK for the periods presented) and the 4 European Free Trade Association member states, or EFTA member states.

(2) Market share data is presented based on the European Automobile Manufacturers Association, or ACEA Registration Databases, which also includes Maserati within the Group for all periods presented.

In 2019, the Fiat brand continued its leadership in the European A minicar segment in EU 28+EFTA (including the UK), with Fiat 500 and Fiat Panda accounting for 29.1 percent of market share in the segment and Fiat 500 remaining segment leader, with sales down 2.2 percent.

The Jeep Brand posted sales of more than 167 thousand vehicles. Sales of the Alfa Romeo Brand decreased, primarily from the discontinuance of the Mito and of certain engines of the Giulietta. In Europe, the Group's sales are largely weighted to passenger cars, with 37.4 percent of the Group's total vehicle sales in the small car segment for 2019, reflecting demand for smaller vehicles due to driving conditions prevalent in many European cities and stringent environmental regulations.

#### *EMEA Distribution*

In Europe, the Group's relationship with individual dealer entities can be represented by a number of contracts (typically, the Group enters into one agreement per brand of vehicles to be sold), and the dealer can sell those vehicles through one or more points of sale.

In Europe, the Group sells its vehicles directly to independent and its own dealer entities located in most European markets, as well as to fleet customers (including government and rental). In other markets in the EMEA segment in which the Group does not have a substantial presence, it has agreements with general distributors.

#### *EMEA Dealer and Customer Financing*

In the EMEA segment, dealer and retail customer financing is primarily managed by FCA Bank, the Group's joint venture with Crédit Agricole Consumer Finance S.A. ("CACF"). FCA Bank operates in Europe, including the five major markets of Italy, France, Germany, Spain and the UK, and provides dealer and retail financing and, within selected countries, also rentals, to support the Group's mass-market vehicle brands. FCA Bank provides its services to the Group's Maserati luxury brand, as well as certain other OEMs, including Ferrari. The Group began this joint venture in 2007 and agreed with Crédit Agricole to

extend its term through December 31, 2024, which may be automatically renewed unless notice of non-renewal is provided no later than three years before end of the term.

The Group also operates a joint venture, Koç Fiat Kredi, providing financial services mainly to retail customers in Turkey, and operates vendor programmes with bank partners in other markets to provide access to dealer and retail customer financing in those markets.

## MASERATI

Maserati, a luxury vehicle brand founded in 1914, became part of the Group in 1993. In 2013, the Maserati brand was re-launched by the introduction of the next generation Quattroporte and the introduction of the Ghibli (luxury four door sedans), the first in the flagship large sedan segment and the second in the luxury full-size sedan vehicle segment. Maserati's current vehicles also include the GranTurismo, the brand's first modern two door, four seat coupe, also available in a convertible version and the Maserati Levante, the first SUV in Maserati's history.

In September 2019, Maserati announced plans for its lineup of new and electrified vehicles to be produced at Modena, Cassino and Turin (Mirafiori and Grugliasco), for the construction of a new production line at Cassino for a new Maserati utility vehicle, scheduled to open at the end of the first quarter of 2020 with the first pre-series cars expected to roll off the production line by 2021, and for the Turin production hub, where the all-new GranTurismo and GranCabrio will be produced.

The following table shows the distribution of Maserati sales by geographic regions as a percentage of total sales for each year ended December 31, 2019 and 2018:

	As a percentage of 2019 sales	As a percentage of 2018 sales
U.S.	31%	32%
China	24%	24%
Europe Top 4 countries <sup>(1)</sup>	17%	17%
Japan	5%	4%
Other countries	23%	23%
<b>Total</b>	<b>100%</b>	<b>100%</b>

*(1) Europe Top 4 Countries by sales are Italy, UK, Germany and Switzerland.*

In 2019, a total of 26,000 Maserati vehicles were sold to retail consumers, a decrease of 26 percent compared to 2018 as a result of reduced sales in China, the U.S., and other key markets, partially due to lower industry volumes in Maserati relevant segments.

FCA Bank provides access to dealer and retail customer financing for Maserati brand vehicles in Europe and the Group's 100 percent owned captive finance company, FCA Automotive Finance Co. Ltd, provides dealer and retail financing on a non-exclusive basis in China. In other regions, the Group relies on local agreements with financial services providers for financing of Maserati brand vehicles to dealers and end customers.

## NET INDUSTRIAL CASH/(DEBT)

Net industrial cash/(debt) is computed as: Debt plus derivative financial liabilities related to industrial activities less (i) cash and cash equivalents, (ii) certain current debt securities, (iii) current financial receivables from Group or jointly controlled financial services entities and (iv) derivative financial assets and collateral deposits; therefore, debt, cash and cash equivalents and other financial assets/liabilities pertaining to financial services entities are excluded from the computation of Net industrial cash/(debt). Net industrial cash/(debt) (including held for sale) includes both Net industrial cash/(debt) and Net industrial cash/(debt) classified as held for sale.

The following table provides a reconciliation of Debt to Net industrial cash/(debt):

## Net Debt by activity

Unaudited

(€ million)	At December 31, 2019			At December 31, 2018		
	Group	Industrial activities	Financial services	Group	Industrial activities	Financial services
Third parties debt (Principal)	(12,910)	(11,121)	(1,789)	(14,575)	(12,169)	(2,406)
<i>Capital market<sup>(1)</sup></i>	(6,676)	(6,277)	(399)	(8,112)	(7,699)	(413)
<i>Bank debt</i>	(3,868)	(2,642)	(1,226)	(5,320)	(3,772)	(1,548)
<i>Other debt<sup>(2)</sup></i>	(726)	(564)	(162)	(882)	(437)	(445)
<i>Lease liabilities<sup>(3)</sup></i>	(1,640)	(1,638)	(2)	(261)	(261)	—
Accrued interest and other adjustments <sup>(4)</sup>	9	10	(1)	47	47	—
<b>Debt with third parties (excluding held for sale)</b>	<b>(12,901)</b>	<b>(11,111)</b>	<b>(1,790)</b>	<b>(14,528)</b>	<b>(12,122)</b>	<b>(2,406)</b>
Debt classified as held for sale	(81)	(81)	—	(177)	(177)	—
<b>Debt with third parties including held for sale</b>	<b>(12,982)</b>	<b>(11,192)</b>	<b>(1,790)</b>	<b>(14,705)</b>	<b>(12,299)</b>	<b>(2,406)</b>
Intercompany, net <sup>(5)</sup>	—	792	(792)	—	560	(560)
Current financial receivables from jointly-controlled financial services companies <sup>(6)</sup>	83	83	—	242	242	—
<b>Debt, net of intercompany, and current financial receivables from jointly-controlled financial service companies, including held for sale</b>	<b>(12,899)</b>	<b>(10,317)</b>	<b>(2,582)</b>	<b>(14,463)</b>	<b>(11,497)</b>	<b>(2,966)</b>
Derivative financial assets/(liabilities), net of collateral deposits (excluding held for sale) <sup>(7)</sup>	(178)	(178)	—	151	150	1
Current debt securities <sup>(8)</sup>	480	480	—	219	219	—
Cash and cash equivalents	15,014	14,867	147	12,450	12,275	175
Cash and cash equivalents, current debt securities and Derivative financial assets/(liabilities), net, classified as held for sale <sup>(9)</sup>	17	17	—	725	725	—
<b>Total Net cash/(debt) including held for sale</b>	<b>2,434</b>	<b>4,869</b>	<b>(2,435)</b>	<b>(918)</b>	<b>1,872</b>	<b>(2,790)</b>
Net industrial cash/(debt) (excluding held for sale) <sup>(10)</sup>		4,859			1,768	
Net industrial cash/(debt) from held for sale <sup>(10)</sup>		10			104	
<b>Total Net industrial cash/(debt)</b>		<b>4,869</b>			<b>1,872</b>	

Note: The assets and liabilities of Magneti Marelli have been classified as Assets held for sale and Liabilities held for sale within the Consolidated Statement of Financial Position at December 31, 2018. The disposal of Magneti Marelli was completed on May 2, 2019. The assets and liabilities of FCA's global cast ion components business have been classified as held for sale within the Consolidated Statement of Financial Position at December 31, 2019.

- (1) Includes notes issued under the Medium Term Programme, or MTN Programme, and other notes (€6,277 million at December 31, 2019 and €7,699 million at December 31, 2018) and other debt instruments (€399 million at December 31, 2019 and €413 million at December 31, 2018) issued in financial markets, mainly from LATAM financial services companies.
- (2) Includes asset-backed financing, i.e. sales of receivables for which de-recognition is not allowed under IFRS (€153 million at December 31, 2019 and €464 million at December 31, 2018), and other debt.
- (3) Includes Lease liabilities determined in accordance with IFRS 16 - Leases effective January 1, 2019, which resulted in an increase in Lease liabilities of €1,069 million, of which €1,067 million related to the Industrial activities. Finance leases previously included in Other debt have been reclassified to Lease liabilities.
- (4) Includes adjustments for fair value accounting on debt and net (accrued)/deferred interest and other amortizing cost adjustments.
- (5) Net amount between industrial activities entities' financial receivables due from financial services entities (€960 million at December 31, 2019 and €958 million at December 31, 2018) and industrial activities entities' financial payables due to financial services entities (€168 million at December 31, 2019 and €398 million at December 31, 2018).
- (6) Financial receivables due from FCA Bank.
- (7) Fair value of derivative financial instruments (net negative €220 million at December 31, 2019 and net positive €90 million at December 31, 2018) and collateral deposits (€42 million at December 31, 2019 and €61 million at December 31, 2018).
- (8) Excludes certain debt securities held pursuant to applicable regulations (€50 million at December 31, 2019 and €72 million at December 31, 2018).
- (9) At December 31, 2018 this amount included current debt securities of €9 million and there were no collateral deposits classified as held for sale.
- (10) At December 31, 2018 amounts include net financial payables due from Magneti Marelli to other group companies of €444 million. At December 31, 2019 amounts include net intercompany financial payables due to activities included within assets held for sale of €74 million.

## RESEARCH AND DEVELOPMENT

The Group engages in research and development activities aimed at improving the design, performance, safety, fuel efficiency, reliability, consumer perception and sustainability of the Group's products and services. As of December 31, 2019, the Group operated 46 research and development centres worldwide with a combined headcount of approximately 18,000 employees supporting the Group's research and development efforts.

The Group concentrates the majority of its efficiency research efforts in two areas: reducing vehicle energy demand and reducing fuel consumption and emissions. Fuel consumption and emissions reduction activities have been primarily focused on powertrain technologies including: engines, transmissions and drivelines, hybrid and electric propulsion and alternative fuels. In recent years, the Group has increased its research and development efforts on automated driving and connectivity technologies.

## EMPLOYEES

At December 31, 2019, the Group had 191,752 employees (excluding employees of joint arrangements, associates and unconsolidated subsidiaries).

## LEGAL PROCEEDINGS

Various legal proceedings, claims and governmental investigations are pending against the Group on a wide range of topics, including vehicle safety, emissions and fuel economy, competition, tax and securities matters, alleged violations of law, labour, dealer, supplier and other contractual relationships, intellectual property rights, product warranties and environmental matters. Some of these proceedings allege defects in specific component parts or systems (including airbags, seats, seat belts, brakes, ball joints, transmissions, engines and fuel systems), in various vehicle models or allege general design defects relating to vehicle handling and stability, sudden unintended movement or crashworthiness. These proceedings seek recovery for damage to property, personal injuries or wrongful death and in some cases include a claim for exemplary or punitive damages. Adverse decisions in one or more of these proceedings could require the Group to pay substantial damages, or undertake service actions, recall campaigns or other costly actions.

### *Takata airbag inflators*

Putative class action lawsuits were filed in March 2018 against FCA US in the U.S. District Courts for the Southern District of Florida and the Eastern District of Michigan, asserting claims under federal and state laws alleging economic loss due to Takata airbag inflators installed in certain of the Group's vehicles. The Group is vigorously defending against this action, and at this stage of the proceedings, the Group is unable to reliably evaluate the likelihood that a loss will be incurred or estimate a range of possible loss.

### *Emissions matters*

On January 10, 2019, the Group announced that FCA US reached final settlements on civil, environmental and consumer claims with the U.S. Environmental Protection Agency ("EPA"), U.S. Department of Justice ("DoJ"), the California Air Resources Board, the State of California, 49 other States and U.S. Customs and Border Protection, for which the Group has accrued €748 million during the year ended December 31, 2018. Approximately €350 million of the accrual was related to civil penalties to resolve differences over diesel emissions requirements. A portion of the accrual was attributable to settlement

of a putative class action on behalf of consumers in connection with which FCA US agreed to pay an average of \$2,800 per vehicle to eligible customers affected by the recall. That settlement received final court approval on May 3, 2019. Nevertheless, the Group continues to defend individual claims from approximately 3,200 consumers that have exercised their right to opt out of the class action settlement and pursue their own individual claims against the Group (the “Opt-Out Litigation”). The Group has engaged in further discovery in the Opt-Out Litigation and participated in court-sponsored settlement conferences, but have reached settlement agreements with only a very small number of these remaining plaintiffs. As of December 31, 2019, the Group’s best estimate of a probable loss has been included within the provision previously recognised.

In the U.S., the Group remains subject to diesel emissions-related investigations by the U.S. Securities and Exchange Commission (the “SEC”) and the DoJ, Criminal Division. In September 2019, the DoJ filed criminal charges against an employee of FCA US for, among other things, fraud, conspiracy, false statements and violations of the Clean Air Act primarily in connection with efforts to obtain regulatory approval of the vehicles that were the subject of the civil settlements described above. The Group continues to cooperate with these investigations and present the Group’s positions on concerns raised by these governmental authorities. The Group may also engage in discussions in an effort to reach an appropriate resolution of these investigations. At this time, the Group cannot predict whether or when any settlement may be reached or the ultimate outcome of these investigations and the Group is unable to reliably evaluate the likelihood that a loss will be incurred or estimate a range of possible loss. The Group also remain subject to a number of related private lawsuits (the “Non Opt-Out Litigation”).

The Group has also received inquiries from other regulatory authorities in a number of jurisdictions as they examine the on-road tailpipe emissions of several automakers’ vehicles and, when jurisdictionally appropriate, the Group continues to cooperate with these governmental agencies and authorities.

In Europe, the Group has been working with the Italian Ministry of Transport (“MIT”) and the Dutch Vehicle Regulator (“RDW”), the authorities that certified FCA diesel vehicles for sale in the European Union, and the UK Driver and Vehicle Standards Agency in connection with their review of several of the Group’s vehicles.

The Group also initially responded to inquiries from the German authority, the Kraftfahrt-Bundesamt (“KBA”), regarding emissions test results for the Group’s vehicles, and the Group discussed the KBA reported test results, the Group’s emission control calibrations and the features of the vehicles in question. After these initial discussions, the MIT, which has sole authority for regulatory compliance of the vehicles it has certified, asserted its exclusive jurisdiction over the matters raised by the KBA, tested the vehicles, determined that the vehicles complied with applicable European regulations and informed the KBA of its determination. Thereafter, mediations have been held under European Commission (“EC”) rules, between the MIT and the German Ministry of Transport and Digital Infrastructure, which oversees the KBA, in an effort to resolve their differences. The mediation was concluded with no action being taken with respect to FCA. In May 2017, the EC announced its intention to open an infringement procedure against Italy regarding Italy’s alleged failure to respond to EC’s concerns regarding certain FCA emission control calibrations. The MIT has responded to the EC’s allegations by confirming that the vehicles’ approval process was properly performed.

In December 2019, the MIT notified the Group that the Dutch Ministry of Infrastructure and Water Management (“I&W”) had been communicating with the MIT regarding certain irregularities allegedly found by the RDW and the Dutch Center of Research TNO in the emission levels of certain Jeep Grand Cherokee Euro 5 models and a vehicle model of another OEM that contains a Euro 6 diesel engine supplied by the Group. In January 2020, the Dutch Parliament published a letter from the I&W summarising the conclusions of the RDW regarding those vehicles and engines and indicating an intention to order a recall and report their findings to the Public Prosecutor, the EC and other Member States. The Group is in the process of providing a response to the MIT and engaging with the RDW to present the Group’s positions and cooperate to reach an appropriate resolution of this matter. In addition, at the request of the French Consumer Protection Agency, the Juge d’Instruction du Tribunal de Grande Instance of Paris is investigating diesel vehicles of a number of automakers including FCA, regarding whether the sale of those vehicles violated French consumer protection laws.

In December 2018, the Korean Ministry of Environment (“MOE”) announced its determination that approximately 2,400 FCA vehicles imported into Korea during 2015, 2016 and 2017 were not emissions compliant and that the vehicles with a subsequent update of the emission control calibrations voluntarily performed by FCA, although compliant, would have required re-homologation of the vehicles concerned. In May 2019, the MOE revoked certification of the above-referenced vehicles and announced an administrative fine for an amount not material to the Group. The Group has appealed the MOE’s decision. The Group’s subsidiary in Seoul, Korea is also cooperating with local criminal authorities in connection with their

review of this matter and with the Korean Fair Trade Commission regarding a purported breach of the Act on Fair Labeling and Advertisement in connection with the subject vehicles.

The results of the unresolved governmental inquiries and private litigation cannot be predicted at this time and these inquiries and litigation may lead to further enforcement actions, penalties or damage awards, any of which may have a material adverse effect on the Group's business, financial condition and results of operations. It is also possible that these matters and their ultimate resolution may adversely affect the Group's reputation with consumers, which may negatively impact demand for the Group's vehicles and consequently could have a material adverse effect on its business, financial condition and results of operations. At this stage, the Group is unable to evaluate the likelihood that a loss will be incurred with regard to the unresolved inquiries and Non Opt-Out Litigation or estimate a range of possible loss.

#### *National Training Center*

In connection with an on-going government investigation into matters at the UAW-Chrysler National Training Center, the U.S. Department of Justice ("DoJ") has brought charges against a number of individuals including former FCA US employees and individuals associated with the UAW for, among other things, tax fraud and conspiring to provide money or other things of value to a UAW officer and UAW employees while acting in the interests of FCA US, in violation of the Labor Management Relations (Taft-Hartley) Act. Several of the individual defendants have entered guilty pleas and some have claimed in connection with those pleas that they conspired with FCA US in violation of the Taft-Hartley Act. The Group continues to cooperate with this investigation and is in discussions with the DOJ about a potential resolution of its investigation. The outcome of those discussions is uncertain; however, any resolution may involve the payment of penalties and other sanctions. At this time, the Group cannot predict whether or when any settlements may be reached or, if no settlement is reached, the ultimate outcome of any litigation. As such, the Group is unable to reliably evaluate the likelihood that a loss will be incurred or estimate a range of possible loss.

Several putative class action lawsuits have been filed against FCA US in U.S. federal court alleging harm to UAW workers as a result of these acts. Those actions have been dismissed both at the trial court stage and on appeal. Three plaintiffs in these lawsuits also filed charges alleging unfair labour practices with the U.S. National Labor Relations Board (the "Board"). The Board issued a complaint regarding these allegations and is seeking a cease and desist order as well as the posting of a notification with respect to the alleged practices. At this stage, the Group is unable to reliably evaluate the likelihood that a loss will be incurred or estimate a range of possible loss.

#### *U.S. sales reporting investigations*

On July 18, 2016, the Group confirmed that the U.S. Securities and Exchange Commission ("SEC") had commenced an investigation into the Group's reporting of vehicle unit sales to end customers in the U.S. and that inquiries into similar issues have been received from the DoJ. These vehicle unit sales reports relate to unit sales volumes primarily by dealers to consumers while the Group generally recognises revenues based on shipments to dealers and other customers and not on vehicle unit sales to consumers.

On September 27, 2019, the SEC announced the resolution of its investigation which included the Group's agreement to pay an amount that is not material to the Group. The Group has also cooperated with a DoJ investigation into the same issues, the outcome of which remains uncertain. Any resolution of that matter may involve the payment of penalties and other sanctions. At this time, the Group is unable to reliably evaluate the likelihood that a loss will be incurred or estimate a range of possible loss in connection with that investigation.

As previously reported, two putative securities class action lawsuits were filed against the Group in the U.S. District Court for the Eastern District of Michigan making allegations with regard to the Group's reporting of vehicle unit sales to end consumers in the U.S. These lawsuits were consolidated into a single action and on October 4, 2018, the Group entered into an agreement in principle to settle the consolidated litigation, subject to court approval, for an amount that is not material to the Group. On June 5, 2019, the Court granted final approval to this settlement.

#### *General Motors litigation*

On November 20, 2019, General Motors LLC and General Motors Company (collectively, "GM") filed a lawsuit in the U.S. District Court for the Eastern District of Michigan against FCA US, FCA N.V. and certain individuals, claiming violations of the Racketeer Influenced and Corrupt Organizations (RICO) Act, unfair competition and civil conspiracy in connection with allegations that FCA US paid bribes to UAW officials that corrupted the bargaining process with the UAW and as a result

FCA US enjoyed unfair labour costs and operational advantages that caused harm to GM. GM also claimed that FCA US had made concessions to the UAW in collective bargaining that the UAW was then able to extract from GM through pattern bargaining which increased costs to GM in an effort to force a merger between GM and FCA N.V.

The Group is defending vigorously against this action and, on January 24, 2020, it filed a motion to dismiss all claims. However, at this stage, the Group is unable to reliably evaluate the likelihood that a loss will be incurred or estimate a range of possible loss.

#### *U.S. import duties*

Historically, the Group has paid a 2.5 percent duty on Ram ProMaster City light commercial vehicles imported into the U.S. as passenger vehicles and later converted into cargo vans rather than the 25 percent duty applicable to vehicles that are imported into the U.S. as cargo vans. In litigation between a competitor and U.S. Customs and Border Protection (“CBP”) involving similar vehicles, the U.S. Court of Appeals for the Federal Circuit (the “Federal Circuit”) ruled in June 2019 that vehicles previously imported by the competitor are subject to the 25 percent duty. In October 2019, the Federal Circuit declined to rehear the case and the competitor announced its intent to appeal the matter to the U.S. Supreme Court.

The Group believes there are facts that distinguish its case from that of the competitor. However, if CBP prevails against the competitor, it may seek to recover increased duties for the Group’s prior imports, plus interest, and may assert a claim for penalties. At this stage, the Group is unable to reliably evaluate the likelihood that a loss will be incurred or estimate a range of possible loss.

#### **CREDIT RATING**

The Group is currently rated with the following corporate credit ratings:

- Ba1 with an uncertain outlook and its ratings under review from Moody’s Deutschland GmbH (“Moody’s”);
- BB+ with a positive outlook from S&P Global Ratings Europe Limited (“Standard & Poor’s”); and
- BBB- with a stable outlook from Fitch Ratings España S.A.U. (“Fitch”).

With reference to the rating on the Notes, in the case of Moody’s, the rating on the Notes issued by FCA and FCFE is Ba2, while in the case of Standard & Poor’s and Fitch, the ratings on the Notes issued by FCA and FCFE are the same as the respective corporate credit ratings.

#### **RECENT DEVELOPMENTS**

The current outbreak of COVID-19, a virus causing potentially deadly respiratory tract infections, is spreading worldwide and governments in affected countries are imposing travel bans, quarantines and other emergency public safety measures. In light of the rapid spread of the illness within Italy, the Italian government has imposed restrictions on travel and the movement and gathering of people in the country, as well as restrictions on commercial activity, and other countries are adopting similar measures. As of the date hereof, most dealers have temporarily closed in Italy, France and Spain. In addition to disrupting supply chains globally, these measures have had a significant and immediate effect on demand for the Group’s vehicles and ability to ship to and invoice dealers. In order to respond to the interruption of market demand by ensuring optimisation of supply, effective March 16, 2020, the Group has temporarily suspended production across the majority of its European manufacturing plants. Furthermore, on March 18, 2020, the Group announced that it had agreed to cease productions at its plants across North America, starting progressively from that date. The Company has also announced that it is evaluating the impact of all steps being taken by the Group and of macro-economic conditions related to the COVID-19 emergency on the Group’s current financial guidance and that an update will follow once that evaluation is complete.

On March 25, 2020, FCA and certain of its subsidiaries entered into a credit agreement with a group of lenders relating to a credit facility of €3,500,000,000 (the “Facility”). FCA has agreed with the lenders that the commitments available under the Facility will be reduced by the amount of proceeds received by FCA from future capital markets transactions, including an offering of Notes under this Base Prospectus, and certain other refinancing transactions.

## FIAT CHRYSLER AUTOMOBILES N.V.

### Business and Incorporation

FCA N.V. is a public company with limited liability (*naamloze vennootschap*), incorporated and organised under the laws of the Netherlands on April 1, 2014, which resulted from the cross-border merger of Fiat S.p.A. with and into Fiat Investments N.V. (“Fiat Investments”), renamed Fiat Chrysler Automobiles N.V. upon effectiveness of the merger on October 12, 2014. FCA’s corporate seat (*statutaire zetel*) is in Amsterdam, the Netherlands, and its registered office and principal place of business is located at 25 St. James’ Street, London SW1A 1HA, United Kingdom. FCA N.V. is registered with the Dutch trade register under number 60372958 and at the Companies House in the United Kingdom under company number FC031853. Its telephone number is +44 (0) 20 7766 0311.

### Board of Directors

Pursuant to the Company’s articles of association (the “Articles of Association”), its board of directors (the “Board of Directors”) may have three or more directors (the “Directors”). At the annual general meeting of shareholders held on April 12, 2019, the number of the Directors was confirmed at twelve. Mr Palmer was appointed as an additional executive director, while the non-executive director Ms Simmons decided not to stand for another election. The current slate of Directors was elected on April 12, 2019. The term of office of the current Directors will expire following the Company’s 2020 annual general meeting of shareholders at which time the Company’s shareholders are expected to re-elect the Directors for a term of approximately one year expiring at the time of the Company’s 2021 annual general meeting of shareholders. Each Director may be re-appointed at any subsequent general meeting of shareholders.

The Board of Directors as a whole is responsible for the strategy of the Company. The Board of Directors is composed of three executive Directors (i.e., the Chairman, the Chief Executive Officer, and the Chief Financial Officer), having responsibility for the day-to-day management of the Company and nine non-executive Directors, who do not have such day-to-day responsibility within the Company or the Group. Pursuant to Article 17 of the Articles of Association, the general authority to represent the Company shall be vested in the Board of Directors and the CEO.

On certain key industrial matters the Chief Executive Officer (“CEO”) is supported by the Group Executive Council (the “GEC”), which is responsible for executing the decisions of the CEO and Board of Directors and the day-to-day management of the Company, primarily to the extent it relates to its operational management, including reviewing the operating performance of the businesses and collaborating on certain operational matters.

Set forth below are the names, year of birth and position of each of the persons currently serving as directors of FCA N.V. The business address of each person listed below is c/o FCA, 25 St. James’s Street, London SW1A 1HA, United Kingdom. The term of office of the Board of Directors will expire on the next shareholders’ meeting, currently scheduled on April 16, 2020.

<b>Name</b>	<b>Year of Birth</b>	<b>Position</b>
John Elkann	1976	executive director
Michael Manley	1964	executive director
Richard K. Palmer	1966	executive director
John Abbott	1960	non-executive director
Andrea Agnelli	1975	non-executive director
Tiberto Brandolini d’Adda	1948	non-executive director
Glenn Earle	1958	non-executive director
Valerie A. Mars	1959	non-executive director
Ronald L. Thompson	1949	non-executive director
Michelangelo A. Volpi	1966	non-executive director
Patience Wheatcroft	1951	non-executive director
Ermenegildo Zegna	1955	non-executive director



The Group has determined that the following seven of the Group's twelve Board of Directors members qualify as independent for purposes of NYSE rules, Rule 10A-3 of the Securities Exchange Act of 1934 (as amended, the "Exchange Act") and the Dutch Corporate Governance Code: John Abbott; Glenn Earle; Valerie A. Mars; Ronald L. Thompson; Michelangelo A. Volpi; Patience Wheatcroft and Ermenegildo Zegna. The Board of Directors has also appointed Mr. Ronald L. Thompson as Senior Non-Executive Director in accordance with Section 2.1.9. of the Dutch Corporate Governance Code.

Directors are expected to prepare themselves for and to attend all Board of Directors meetings, the annual general meeting of shareholders and the meetings of the committees on which they serve, with the understanding that, on occasion, a Director may be unable to attend a meeting.

During 2019, there were 18 meetings of the Board of Directors. The average attendance at those meetings was approximately 89.81 percent.

Summary biographies for the current Directors of FCA N.V. are included below:

- **John Elkann (executive director)** - John Elkann is Chairman of FCA. He was appointed Chairman of Fiat S.p.A. on April 21, 2010 where he previously served as Vice Chairman beginning in 2004 and as a board member from 1997 and he became Chairman of FCA on October 12, 2014. Mr. Elkann is also Chairman and Chief Executive Officer of Exor N.V. and Chairman of Giovanni Agnelli B.V.. Born in New York in 1976, Mr. Elkann obtained a scientific baccalaureate from the Lycée Victor Duruy in Paris, and graduated in Engineering from Politecnico, the Engineering University of Turin (Italy). While at university, he gained work experience in various companies of the Group in the UK and Poland (manufacturing) as well as in France (sales and marketing). He started his professional career in 2001 at General Electric as a member of the Corporate Audit Staff, with assignments in Asia, the U.S. and Europe. Mr. Elkann is Chairman of Ferrari N.V. and Ferrari S.p.A., Vice Chairman of GEDI Gruppo Editoriale S.p.A. and a board member of PartnerRe Ltd and of The Economist Group. Mr. Elkann is a member of the Board of Trustees and of the Nominating Committee of the Museum of Modern Art (MoMA). He also serves as Chairman of the Giovanni Agnelli Foundation.
- **Michael Manley (executive director)** - Born in Edenbridge (UK) in 1964, Michael Manley was appointed Chief Executive Officer of Fiat Chrysler Automobiles N.V. on July 21, 2018. In addition, he also served as ad interim Chief Operating Officer for the EMEA region from July to September 2018 and Chief Operating Officer for the North America region from October 2018 to December 2018. Mr Manley's appointment as Executive Director of FCA was formalised in the extraordinary meeting of shareholders held on September 7, 2018. Previously, Mr. Manley has served as Head of Jeep brand, Head of Ram brand and Chief Operating Officer for the APAC region. He was also the lead Chrysler Group executive for the international activities of Chrysler outside of North America, where he was responsible for implementing the co-operation agreements for distribution of Chrysler Group products through Fiat's international distribution network. Prior to those roles, Mr. Manley was Executive Vice President - International Sales and Global Product Planning Operations. Appointed to this position in December 2008, he was responsible for product planning and all sales activities outside North America. Mr. Manley joined DaimlerChrysler in 2000 as Director - Network Development, DaimlerChrysler United Kingdom, Ltd., bringing with him extensive experience in the international automobile business at the distributor level. He holds a Master of Business Administration from Ashridge Management College in Ashridge, England, and a Bachelor of Science in Engineering from Southbank University in London, England.
- **Richard K. Palmer (executive director)** - Richard K. Palmer was appointed Chief Financial Officer and a member of the GEC in September 2011. He was also named Head of Business Development in July 2018. On April 12, 2019 he was appointed to the Board of Directors of FCA as an executive member. Previously he also served as Chief Operating Officer Systems and Castings. In his current role, Mr. Palmer is responsible for all financial activities of the Group including control, treasury and tax. Mr. Palmer was Chief Financial Officer of FCA US from June 2009 until 2017. Mr. Palmer joined FCA US from the former Fiat Group Automobiles, where he held the position of Chief Financial Officer beginning in December 2006. In 2003, he joined the Group as Chief Financial Officer of Comau, and in 2005, moved to Iveco in the same role. Prior to that appointment, he was Finance Manager for several business units at General Electric Oil and Gas. Mr. Palmer spent the first years of his career in audit with Price Waterhouse and later with United Technologies Corporation. Mr. Palmer served as a member of the Board of Directors of R.R. Donnelley & Sons Company from 2013 to September 2016. From October 2016 to September 2019, Mr. Palmer served

as member of the Board of Directors of LSC Communications, Inc., which was spun off from R.R. Donnelly and Sons Company. Mr. Palmer is a Chartered Accountant and member of ICAEW (UK) and holds a Bachelor of Science degree in Microbiology from the University of Warwick (UK). Mr. Palmer was born in Keynsham, England in 1966.

- **John Abbott (non-executive director)** - Born in Nottingham (UK) in 1960, John Abbott was Downstream Director and a member of the Executive Committee of Royal Dutch Shell plc from October 2013 until December 31, 2019. Based in London, he had Global accountability for, inter alia, manufacturing, chemicals, trading & supply, and marketing. Mr. Abbott was also a Supervisory Board Member of Raizen, a Shell-Cosan joint venture which owns and operates sugar, ethanol and fuels sales and marketing operations in Brazil. Since joining Shell in 1981, he has worked in the UK, Singapore, Thailand, the Netherlands, Canada, and the USA, predominantly in the areas of Global Manufacturing and Supply, Trading and Distribution. In 1994, he was seconded to the British Government on a brief assignment to work in the Central Policy and Planning Unit of what was then the Department of the Environment. In 2006, Mr. Abbott became Vice President Manufacturing Excellence and Support, based in Houston, Texas (USA). Two years later, he became Executive Vice President of Shell's Upstream Americas Heavy Oil business, based in Calgary, Canada. In 2012, he was appointed Executive Vice President of Global Manufacturing and led a team of 30,000 employees and contractors based at around 30 refineries and chemical sites worldwide. Mr. Abbott is a mentor in the FTSE 100 cross-company mentoring foundation and Executive Director for Shell's Asian talent council. He graduated from Birmingham University, UK, with a first-class honors degree in Chemical Engineering. He is a Fellow of the Institution of Chemical Engineers, as well as a chartered engineer and chartered scientist. Mr. Abbott was appointed to the Board of Directors on April 13, 2018.
- **Andrea Agnelli (non-executive director)** - Andrea Agnelli has been Chairman of Juventus Football Club S.p.A. since May 2010 and is also Chairman of Lamse S.p.A., a holding company of which he is a founding shareholder, since 2007. Born in Turin in 1975, he studied at Oxford (St. Clare's International College) and Milan (Università Commerciale Luigi Bocconi). While at university, he gained professional experience both in Italy and abroad, including positions at: Iveco-Ford in London; Piaggio in Milan; Auchan Hypermarket in Lille; Schroder Salomon Smith Barney in London; and, finally, Juventus Football Club S.p.A. in Turin. Mr. Agnelli began his professional career in 1999 at Ferrari Idea in Lugano, where he was responsible for promoting and developing the Ferrari brand in non-automotive areas. In November 2000, he moved to Paris and assumed responsibility for marketing at Uni Invest SA, a Banque San Paolo company specialised in managed investment products. Mr. Agnelli worked at Philip Morris International in Lausanne from 2001 to 2004, where he initially had responsibility for marketing and sponsorships and, subsequently, corporate communication. In 2005, Mr. Agnelli returned to Turin to work in strategic development for IFIL Investments S.p.A. (now Exor N.V.) and he joined the Board of Directors of IFI S.p.A. (now Exor N.V.) in May 2006. Mr. Agnelli is a general partner of Giovanni Agnelli B.V. and a member of the advisory board of BlueGem Capital Partners LLP. Since March 2017 he is the President of "Fondazione del Piemonte per l'Oncologia". He has also been a member of the European Club Association's executive board since 2012 and Chairman since 2017. From 2014 to 2017, he has served as a board member of the Serie A National League of Professionals and as board member of the Foundation for the General Mutuality in Professional Team Sports. In September 2015, he was appointed to the UEFA Executive Committee as an ECA representative. Mr. Agnelli was appointed to the Board of Directors of Fiat S.p.A. on May 30, 2004 and became a member of the Board of Directors on October 12, 2014.
- **Tiberto Brandolini d'Adda (non-executive director)** - Born in Lausanne (Switzerland) in 1948, Tiberto Brandolini d'Adda is a graduate in commercial law from the University of Parma. From 1972 to 1974, Mr. Brandolini d'Adda gained his initial work experience in the international department of Fiat S.p.A. and then at Lazard Bank in London. In 1975, he was appointed assistant to the Director General for Enterprise Policy at the European Economic Commission in Brussels. He joined Ifint in 1976 as General Manager for France. In 1985, he was appointed General Manager for Europe and then, in 1993, Managing Director of Exor Group (formerly Ifint) where he also served as Vice Chairman from 2003 until 2007. He has extensive international experience as a main Board Director of several companies, including: Le Continent, Bolloré Investissement, Société Foncière Lyonnaise, Safic-Alcan and Chateau Margaux. Mr. Brandolini d'Adda served as Director and then, from 1997 to 2003, as Chairman of the conseil de surveillance of Club Méditerranée. He served as Vice Chairman of Exor S.p.A. (now Exor N.V.), formed through the merger between IFI and IFIL Investments, from 2009 to May 2015. He was Chairman of Exor S.A. (Luxembourg) from 2007 until September 2017. In May 2004, he was appointed Chairman of the conseil de surveillance of Worms & Cie,

where he had served as Deputy Chairman since 2000. In May 2005, he became Chairman and Chief Executive Officer of Sequana Capital (formerly Worms & Cie), then Chairman of the Board of Sequana from 2007 until 2013. He has been a member of the Board of Vittoria Assicurazioni S.p.A. from 2004 until 2010. He has also been a member of the Board of Société Générale de Surveillance S.A. (SGS) from 2005 to 2013. Mr. Brandolini d'Adda currently serves as an independent member of the Board of Directors of YAFA S.p.A. In addition, from 2015 to December 2019, he has been an independent Board member of LumX Asset Management (Suisse) S.A. (formerly Gottex Fund Management Holdings Limited). He is a Director of Giovanni Agnelli B.V. Mr. Brandolini d'Adda is Officier de la Légion d'Honneur. Mr. Brandolini d'Adda was appointed to the Board of Directors of Fiat S.p.A. on May 30, 2004 and became a member of the Board of Directors on October 12, 2014.

- **Glenn Earle (non-executive director)** - Born in Douglas, Isle of Man in 1958, Glenn Earle is the Head of EMEA for Ardea Partners International LLP, a private investment banking advisory firm. He is also a member of the Board of Directors of Affiliated Managers Group, Inc., Deputy Chairman of educational charity Teach First and Chair of The Young Vic. Mr. Earle retired in December 2011 from Goldman Sachs International, where he was most recently a Managing Director and the Chief Operating Officer. Mr. Earle was also Chief Executive of Goldman Sachs International Bank and his other responsibilities included co-Chairmanship of the firm's Global Commitments and Capital Committees and membership of the Goldman Sachs International Executive Committee. He previously worked at Goldman Sachs in various roles in New York, Frankfurt and London from 1987, becoming a Partner in 1996. From 1979 to 1985, he worked in the Latin America department at Grindlays Bank/ANZ in London and New York, leaving as a Vice President. Mr. Earle is a graduate of Emmanuel College, Cambridge and of Harvard Business School, where he earned a Master of Business Administration with High Distinction and was a Baker Scholar and Loeb, Rhoades Fellow. His other activities include membership of The Higher Education Commission and the Advisory Board of the Sutton Trust. His previous responsibilities include membership of the Board of Trustees of the Goldman Sachs Foundation and of the Ministerial Task Force for Gifted and Talented Youth, Chairmanship of the Advisory Board of Cambridge University Judge Business School, Vice Chairman of Rothesay Life Group, Trustee and Director of The Royal National Theatre and member of the Advisory Committee of Hayfin Capital Management LLP. Mr. Earle was appointed to the Board of Directors of Fiat S.p.A. in June 2014 and became a member of the Board of Directors on October 12, 2014.
- **Valerie A. Mars (non-executive director)** - Born in New York in 1959. Valerie Mars serves as Senior Vice President & Head of Corporate Development for Mars, Incorporated, a diversified food business, operating in over 120 countries and one of the largest privately held companies in the world. In this position, she focuses on acquisitions, joint ventures and divestitures for the company. She served on the Mars, Incorporated Audit Committee and Remuneration Committee and is a member of the board of Royal Canin. In March 2018, Ms. Mars was elected to the board of Ahlstrom-Munksjo, a Finnish/Swedish listed specialty paper business. Additionally, Ms. Mars is a member of the Rabobank North America Advisory Board. She served on the board of Celebrity Inc., a NASDAQ listed company, from 1994 to September 2000. Previously, Ms. Mars was the Director of Corporate Development for Masterfoods Europe. Her European work experience began in 1996 when she became General Manager of Masterfoods Czech and Slovak Republics. Prior to joining Mars, Incorporated, Ms. Mars was a controller with Whitman Heffernan Rhein, a boutique investment company. She began her career with Manufacturers Hanover Trust Company as a training programme participant and rose to Assistant Secretary. Ms. Mars is involved in a number of community and educational organisations and currently serves on the Board of Conservation International, where she chairs the Audit Committee. She is also Director Emeritus of The Open Space Institute. Ms. Mars holds a Bachelor of Arts degree from Yale University and a Master of Business Administration from the Columbia Business School. Ms. Mars was appointed to the Board of Directors on October 12, 2014.
- **Ronald L. Thompson (non-executive director)** - Born in Detroit (Michigan, USA) in 1949, Ronald L. Thompson served on the Board of Directors of FCA US from 2009 to 2014. Mr. Thompson is currently chairman of the board of trustees for Teachers Insurance and Annuity Association (TIAA), a for-profit life insurance company that serves the retirement and financial needs of faculty and employees of colleges and universities, hospitals, cultural institutions and other nonprofit organisations. He also serves on the Board of Trustees for Washington University in St. Louis, Missouri, on the Board of Trustees of the Medical University of South Carolina Foundation, and as a member of the Advisory Board of Plymouth Venture Partners Fund. Mr. Thompson was previously the Chief Executive Officer and Chairman of Midwest Stamping Company of Maumee, Ohio, a manufacturer of medium and heavy gauge metal components for

the automotive market. He sold the company in late 2005. Mr. Thompson has served on the boards of many different companies including Commerce Bank of St. Louis, GR Group (U.S.), Illinova Corporation, Interstate Bakeries Corporation, McDonnell Douglas Corporation, Midwest Stamping Company, Ralston Purina Company and Ryerson Tull, Inc. He was also a member of the Board of Directors of the National Association of Manufacturers. He was Chairman and Chief Executive Officer at GR Group, General Manager at Puget Sound Pet Supply Company and Chairman and Chief Executive Officer at Evaluation Technologies. Mr. Thompson has served on the faculties of Old Dominion University, Virginia State University and the University of Michigan. Mr. Thompson holds a Ph.D. and a Master of Science in Agricultural Economics from Michigan State University and a Bachelor of Business Administration from the University of Michigan. Mr. Thompson was appointed Senior Non-Executive Director on October 12, 2014.

- **Michelangelo A. Volpi (non-executive director)** - Born in Milan (Italy) in 1966, Michelangelo Volpi has been a partner at Index Ventures since 2009. He is focused on investments in the enterprise software infrastructure and consumer Internet sectors. Mr. Volpi led the investment by Index Ventures in Pure Storage (PSTG), Cloud.com (CTRX) and StorSimple (MSFT) and is currently a director of Sonos, Wealthfront, Lookout, Elastic, Confluent, Blue Bottle Coffee, Slack, Zuora, and Starburst Data Inc. Mr. Volpi also served as an independent member of the board of Exor N.V. until May 29, 2018. Mr. Volpi performed in various executive roles for 13 years at Cisco Systems from 1994. He served as the company's Chief Strategy Officer, where he was responsible for Cisco's corporate strategy as well as business development, strategic alliances, advanced Internet projects, legal services, and government affairs. During this tenure, Mr. Volpi was instrumental in the creation of the company's acquisition and investment strategies, as Cisco acquired more than 70 companies during his tenure. He then became Senior Vice President & General Manager of the Routing and Service Provider Technology Group, where he led Cisco's business for the Service Provider market, and was also responsible for all of Cisco's routing products. Mr. Volpi began his career as a product development engineer at Hewlett Packard's Optoelectronics Division. Prior to Index, he was the CEO of Joost – an innovator in the field of premium video services delivered over the Internet. Mr. Volpi has a B.S. in Mechanical Engineering and an M.S. in Manufacturing Systems Engineering from Stanford University, and an M.B.A. from the Stanford Graduate School of Business. He is a trustee of the Castilleja School in Palo Alto, CA. and was a trustee of the Stanford Business School Trust until 2017. Mr. Volpi was appointed to the Board of Directors of FCA on April 14, 2017.
- **Patience Wheatcroft (non-executive director)** - Born in Chesterfield (United Kingdom) in 1951, Patience Wheatcroft is a British national and graduate in law from the University of Birmingham. She is also a member of the House of Lords since 2011 and a financial commentator and journalist. Ms. Wheatcroft currently serves as Non-executive Director of the wealth management company St. James's Place PLC. Ms. Wheatcroft has a broad range of experience in the media and corporate world with past positions at the Wall Street Journal Europe, where she was Editor-in-Chief, The Sunday Telegraph, The Times, Mail on Sunday, as well as serving as Non-executive Director of Barclays Group PLC and Shaftesbury PLC. Ms. Wheatcroft served on the Board of Trustees of the British Museum, until 2018. Ms. Wheatcroft was appointed to the Board of Directors of Fiat S.p.A. in April 2012 and became a member of the Board of Directors on October 12, 2014.
- **Ermenegildo Zegna (non-executive director)** - Born in Turin (Italy) in 1955, Ermenegildo Zegna has been Chief Executive Officer of the Ermenegildo Zegna Group since 1997, having served on the board since 1989. Previously, he held senior executive positions within the Zegna Group including in the U.S., after a retail experience at Bloomingdale's, New York. He is also a member of the boards of Tom Ford International, Camera Nazionale della Moda Italiana, the Council for the United States and Italy, and from 2018 of American luxury brand Thom Browne. In 2011, he was nominated Cavaliere del Lavoro by the President of the Italian Republic. A graduate in economics from the University of London, Mr. Zegna also studied at the Harvard Business School. Mr. Zegna was appointed to the Board of Directors on October 12, 2014.

FCA's directors serve on the Board of Directors for a term of approximately one year, such term ending on the day that the first annual general meeting of shareholders is held in the following calendar year. FCA's shareholders appoint the directors of the Board of Directors at a general meeting. Each director may be reappointed for an unlimited number of terms. The general meeting of shareholders determines whether a director is an executive director or a non-executive director.

On certain key industrial matters the Board of Directors is advised by the Group Executive Council (the “GEC”): the GEC is an operational decision-making body of the Group, which is responsible for reviewing the operating performance of the businesses, and making decisions on certain operational matters.

Save as disclosed in this subsection entitled “*Board of Directors*” and in Note 18 *Share-based compensation* to Consolidated Financial Statements, incorporated by reference in this Base Prospectus, at the date of this Base Prospectus, as far as the Company is aware, neither the Directors nor the senior managers of FCA N.V. have any potential conflicts of interest between any duties to FCA N.V. and private interests or other duties.

Pursuant to Article 17 of the Articles of Association, the general authority to represent the Company shall be vested in the Board of Directors and the Chief Executive Officer.

## **Senior Management**

The Group’s management is led by FCA N.V.’s Chief Executive Officer who is supported by the GEC. From an operational perspective, each of the Group’s reportable segments are led by Chief Operating Officers (“COO”), who are accountable for the profit or loss of the segment and management of segment resources, including industrial and commercial activities. These are supported centrally by corporate functions including a Chief Financial Officer and General Counsel. With the exception of the General Counsel, each of these members of senior management are members of the GEC.

The regional COOs and leaders of the key corporate functions are:

- Michael Manley as Chief Executive Officer;
- Richard K. Palmer as Chief Financial Officer;
- Pietro Gorlier as Chief Operating Officer EMEA and Global Head of Parts & Service (MOPAR);
- Antonio Filosa as Chief Operating Officer LATAM;
- Mark Stewart as Chief Operating Officer North America;
- Davide Grasso as Chief Operating Officer Maserati; and
- Giorgio Fossati as Corporate General Counsel.

## **Major Shareholders**

Exor N.V. (“Exor”) is the largest shareholder of FCA N.V. through its 28.66 percent shareholding interest in FCA N.V.’s issued common shares (as of February 25, 2020). As a result of the loyalty voting mechanism, Exor’s voting power is 41.74 percent.

Consequently, Exor could strongly influence all matters submitted to a vote of FCA N.V. shareholders, including approval of annual dividends, election and removal of directors and approval of extraordinary business combinations.

Exor is controlled by Giovanni Agnelli B.V. (“GA”), which holds 52.99 percent of its share capital. GA is a private limited liability company under Dutch law with its capital divided in shares and currently held by members of the Agnelli and Nasi families, descendants of Giovanni Agnelli, founder of Fiat S.p.A. Its present principal business activity is to purchase, administer and dispose of equity interests in public and private entities and, in particular, to ensure the cohesion and continuity of the administration of its controlling equity interests. The directors of GA are John Elkann, Tiberto Brandolini d’Adda, Alessandro Nasi, Andrea Agnelli, Eduardo Teodorani-Fabbri, Luca Ferrero de’ Gubernatis Ventimiglia, Jeroen Preller and Florence Hinnen.

Based on the information in FCA N.V.’s shareholder register, regulatory filings with the Dutch Authority for Financial Markets (the “AFM”) and the Securities and Exchange Commission of the U.S. government (the “SEC”) and other sources available to FCA, the following persons owned, directly or indirectly, in excess of three percent of FCA N.V.’s capital and/or voting interest as of February 25, 2020:

<b>FCA Shareholders</b>	<b>Number of Issued Common Shares</b>	<b>Percentage Owned</b>
Exor N.V. <sup>(1)</sup>	449,410,092	28.66
BlackRock, Inc. <sup>(2)</sup>	62,912,116	4.01

<sup>(1)</sup> In addition, Exor N.V. holds 375,803,870 special voting shares; Exor N.V.'s beneficial ownership in FCA is 41.74 percent, calculated as the ratio of (i) the aggregate number of common and special voting shares owned by Exor N.V. and (ii) the aggregate number of outstanding common shares and issued special voting shares.

<sup>(2)</sup> BlackRock, Inc. beneficially owns 62,912,116 common shares (3.18 percent of total issued shares, which is the aggregate number of outstanding common shares and issued special voting shares) and 77,228,433 voting rights (4.92 percent of outstanding common shares and 3.91 percent of total issued shares).

## FINANCIAL INFORMATION RELATING TO FCA N.V.

The following financial information has been extracted from the Company Standalone Financial Statements of FCA N.V. as of and for the year ended December 31, 2019.

The Company Standalone Financial Statements represent the separate financial statements of FCA N.V. as of and for the year ended December 31, 2019 and have been prepared in accordance with the legal requirements of Title 9, Book 2 of the Dutch Civil Code. Section 362(8), Book 2 of the Dutch Civil Code allows companies that apply IFRS as adopted by the European Union in their consolidated financial statements to use the same measurement principles in their statutory financial statements. However, as allowed by applicable law, investments in subsidiaries, joint ventures and associates are accounted for using the net equity value in the statutory financial statements. For additional information on such accounting policies, please see the section headed “*Significant accounting policies*” set forth in the Company Standalone Financial Statements of FCA N.V. as of and for the year ended December 31, 2019, incorporated by reference in this Base Prospectus.

These financial statements are incorporated by reference herein.

### INCOME STATEMENT

(in € million)	Years Ended December 31	
	2019	2018
Operating income	€ 63	€ 33
Personnel costs	(10)	(12)
Other operating costs	(188)	(168)
Net financial expenses	(218)	(168)
<b>Profit/(loss) before taxes</b>	<b>€ (353)</b>	<b>€ (315)</b>
Income tax benefit/(expense)	(409)	14
Result from investments	3,456	3,624
<b>Net profit from continuing operations</b>	<b>€ 2,694</b>	<b>€ 3,323</b>
Profit from discontinued operations, net of tax	3,928	285
<b>Net profit</b>	<b>€ 6,622</b>	<b>€ 3,608</b>

## STATEMENT OF FINANCIAL POSITION

(in € million - before appropriation of results)

	At December 31	
	2019	2018
<b>Assets</b>		
Property, plant and equipment	€ 24	€ 26
Investments in Group companies and other equity investments	35,088	31,530
Other financial assets	2,698	3,380
Deferred Tax Assets	151	-
<b>Total Non-current assets</b>	<b>€ 37,961</b>	<b>€ 34,936</b>
Current financial assets	-	3
Other current receivables	379	205
Cash and cash equivalents	1	1
<b>Total Current assets</b>	<b>400</b>	<b>224</b>
<b>Total Assets</b>	<b>€ 38,361</b>	<b>€ 35,160</b>
<b>Equity and Liabilities</b>		
<b>Equity</b>		
Share capital	20	19
Capital reserves	6,034	5,920
Legal reserves	14,206	13,842
Other Comprehensive Income	(631)	(523)
Retained profit/(loss)	2,286	1,836
Profit for the year	6,622	3,608
<b>Total Equity</b>	<b>€ 28,537</b>	<b>€ 24,702</b>
<b>Liabilities</b>		
Provisions for employee benefits and other provisions	4	8
Non-current debt	3,919	3,864
Other non-current liabilities	8	10
<b>Total Non-current liabilities</b>	<b>€ 3,931</b>	<b>€ 3,882</b>
Provisions for employee benefits and other current provisions	2	2
Trade payables	31	16
Other financial liabilities	2	-
Current debt	4,926	6,320
Other debt	932	238
<b>Total Current liabilities</b>	<b>€ 5,893</b>	<b>€ 6,576</b>
<b>Total Equity and liabilities</b>	<b>€ 38,361</b>	<b>€ 35,160</b>



## **FINANCIAL INFORMATION RELATING TO THE FCA GROUP**

The financial information presented below has been extracted from the Consolidated Financial Statements, incorporated by reference herein. The financial statements have been prepared in accordance with IFRS as issued by the IASB as well as IFRS as adopted by the European Union and are incorporated by reference herein.

As of January 1, 2019 the Group adopted IFRS 16 - *Leases* using the modified retrospective approach and did not restate prior year comparatives. The cumulative effect to the Consolidated Financial Statements from the adoption of IFRS 16 is shown in the Consolidated Financial Statements, which are incorporated by reference herein.

The Group adopted and applied from January 1, 2018 IFRS 15 and IFRS 9. The cumulative effect to the Consolidated Financial Statements from the adoption of IFRS 15 and IFRS 9 is shown in the Consolidated Financial Statements, which are incorporated by reference herein.

Investors are advised to review the full financial statements before making any investment decision.

## CONSOLIDATED INCOME STATEMENT

(in € million, except per share amounts)

	Years ended December 31	
	2019	2018
Net revenues	€ 108,187	€ 110,412
Cost of revenues	93,164	95,011
Selling, general and other costs	6,455	7,318
Research and development costs	3,612	3,051
Result from investments:	209	235
<i>Share of the profit of equity method investees</i>	208	240
<i>Other income from investments</i>	1	(5)
Gains on disposal of investments	15	—
Restructuring costs	154	103
Net financial expenses	1,005	1,056
<b>Profit before taxes</b>	<b>4,021</b>	<b>4,108</b>
Tax expense	1,321	778
<b>Net profit from continuing operations</b>	<b>2,700</b>	<b>3,330</b>
Profit from discontinued operations, net of tax	3,930	302
<b>Net profit</b>	<b>€ 6,630</b>	<b>€ 3,632</b>
<b>Net profit attributable to:</b>		
Owners of the parent	€ 6,622	€ 3,608
Non-controlling interests	8	24
	€ 6,630	€ 3,632
<b>Net profit from continuing operations attributable to:</b>		
Owners of the parent	€ 2,694	€ 3,323
Non-controlling interests	6	7
	€ 2,700	€ 3,330
<b>Earnings per share:</b>		
Basic earnings per share	€ 4.23	€ 2.33
Diluted earnings per share	€ 4.22	€ 2.30
<b>Earnings per share for Net profit from continuing operations:</b>		
Basic earnings per share	€ 1.72	€ 2.15
Diluted earnings per share	€ 1.71	€ 2.12

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in € million)	Years ended December 31,	
	2019	2018
<b>Net profit (A)</b>	<b>€ 6,630</b>	<b>€ 3,632</b>
Items that will not be reclassified to the Consolidated Income Statement in subsequent periods:		
(Losses)/gains on remeasurement of defined benefit plans	(63)	317
Share of (losses)/gains on remeasurement of defined benefit plans for equity method investees	(5)	—
Gains/(losses) on equity instruments measured at fair value through other comprehensive income	6	(4)
Related tax impact	7	(76)
Items relating to discontinued operations, net of tax	(9)	2
<b>Total items that will not be reclassified to the Consolidated Income Statement in subsequent periods (B1)</b>	<b>(64)</b>	<b>239</b>
Items that may be reclassified to the Consolidated Income Statements in subsequent periods:		
(Losses)/gains on cash flow hedging instruments	(191)	(9)
Exchange gains/(losses) on translating foreign operations	268	126
Share of Other comprehensive (loss) for equity method investees	(15)	(103)
Related tax impact	50	(6)
Items relating to discontinued operations, net of tax	9	(91)
<b>Total items that may be reclassified to the Consolidated Income Statement in subsequent periods (B2)</b>	<b>121</b>	<b>(83)</b>
<b>Total Other comprehensive income/(loss), net of tax (B1)+(B2)=(B)</b>	<b>57</b>	<b>156</b>
<b>Total Comprehensive income (A)+(B)</b>	<b>€ 6,687</b>	<b>€ 3,788</b>
<b>Total Comprehensive income attributable to:</b>		
Owners of the parent	€ 6,676	€ 3,763
Non-controlling interests	11	25
	<b>€ 6,687</b>	<b>€ 3,788</b>
<b>Total Comprehensive income attributable to owners of the parent:</b>		
Continuing operations	€ 2,749	€ 3,558
Discontinued operations	3,927	205
	<b>€ 6,676</b>	<b>€ 3,763</b>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in € million)

	At December 31,	
	2019	2018
<b>Assets</b>		
Goodwill and intangible assets with indefinite useful lives	€ 14,257	€ 13,970
Other intangible assets	12,447	11,749
Property, plant and equipment	28,608	26,307
Investments accounted for using the equity method	2,009	2,002
Other financial assets	340	362
Deferred tax assets	1,689	1,814
Other receivables	2,376	1,484
Tax receivables	94	71
Prepaid expenses and other assets	535	266
Other non-current assets	757	556
<b>Total Non-current assets</b>	<b>63,112</b>	<b>58,581</b>
Inventories	9,722	10,694
Assets sold with a buy-back commitment	1,626	1,707
Trade and other receivables	6,628	7,188
Tax receivables	372	419
Prepaid expenses and other assets	524	418
Other financial assets	670	615
Cash and cash equivalents	15,014	12,450
Assets held for sale	376	4,801
<b>Total Current assets</b>	<b>34,932</b>	<b>38,292</b>
<b>Total Assets</b>	<b>€ 98,044</b>	<b>€ 96,873</b>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Equity attributable to owners of the parent	€ 28,537	€ 24,702
Non-controlling interests	138	201
<b>Total Equity</b>	<b>28,675</b>	<b>24,903</b>
<b>Liabilities</b>		
Long-term debt	8,025	8,667
Employee benefits liabilities	8,507	7,875
Provisions	5,027	5,413
Other financial liabilities	124	3
Deferred tax liabilities	1,628	937
Tax liabilities	278	149
Other liabilities	2,426	2,452
<b>Total Non-current liabilities</b>	<b>26,015</b>	<b>25,496</b>
Trade payables	21,616	19,229
Short-term debt and current portion of long-term debt	4,876	5,861
Employee benefit liabilities	544	595
Provisions	8,978	10,394
Other financial liabilities	194	204
Tax liabilities	122	203
Other liabilities	6,788	7,057
Liabilities held for sale	236	2,931
<b>Total Current liabilities</b>	<b>43,354</b>	<b>46,474</b>
<b>Total Equity and liabilities</b>	<b>€ 98,044</b>	<b>€ 96,873</b>

## TAXATION

The following is a general summary of certain tax consequences of acquiring, holding and disposing of the Notes. It does not purport to be a complete analysis of all tax considerations that may be relevant to the decision to purchase, own or dispose of the Notes and does not purport to deal with the tax consequences applicable to all categories of prospective beneficial owners of the Notes, some of which may be subject to special rules, nor with Notes that are not held and accounted for as financial assets.

This summary is based upon the tax laws and/or practice at the date of this Base Prospectus, subject to any changes in law and/or practice occurring after such date, which could be made on a retroactive basis. This summary will not be updated to reflect changes in law or practice and, if any such change occurs, the information in this summary could be superseded.

Prospective purchasers of the Notes should consult their tax advisers as to the overall tax consequences of acquiring, holding and disposing of the Notes.

The attention of holders of the Notes is drawn to the provisions relating to additional amounts referred to in Condition 7 (*Taxation*).

### **United Kingdom**

The following comments are of a general nature, based on current UK tax law (as applied in England and Wales) and published practice of HMRC as at the date of this Base Prospectus, all of which are subject to change, possibly with retrospective effect. The following is a general summary only of the UK withholding tax treatment of payments of and in respect of interest on the Notes together with some general statements about stamp duty and stamp duty reserve tax. The comments assume there will be no substitution of the relevant Issuer and do not address the consequences of any such substitution (notwithstanding that such substitution may be permitted by the Conditions). The comments are not exhaustive, and do not deal with other UK tax aspects of acquiring, holding, disposing of or dealing in the Notes. The comments below only apply to persons who are beneficial owners of the Notes and do not necessarily apply where any payment on the Notes is deemed for tax purposes to be the income of any other person. Any prospective purchasers of any Notes who are in doubt as to their own tax position should consult their own professional adviser.

#### ***Withholding or deduction of UK tax on payments of interest by the Issuer or under the Guarantee***

References to “interest” under this heading “*Taxation—United Kingdom*” mean interest as understood under UK tax law. For example, any redemption premium may be “interest” for UK withholding tax purposes, depending upon the particular terms and conditions of the relevant Notes.

##### **(i) Payments of interest by the Issuer**

If the interest on the Notes does not have a UK source, interest on the Notes may be paid by the relevant Issuer without withholding or deduction for or on account of UK income tax. The source of a payment is a complex matter. It is necessary to have regard to case law and HMRC practice. Case law has established that in determining the source of interest, all relevant factors must be taken into account. Where the Issuer is FCA N.V., payments of interest made in respect of Notes issued by it should generally be expected to be regarded by HMRC as having a UK source as long as FCA N.V. is resident in the UK. If it ceases to be resident in the UK, payments may cease to have a UK source. Where the Issuer is FCFE, the source of the interest payment would need to be analysed in light of the particular facts and circumstances of the relevant issuance.

If the interest on any Notes is regarded as having a UK source, it may be paid by the relevant Issuer without withholding or deduction for or on account of UK tax if those Notes are and continue to be “quoted Eurobonds” as defined in section 987 of the Income Tax Act 2007. The Notes issued by FCA N.V. will constitute “quoted Eurobonds” if they carry a right to interest and are listed on a “recognised stock exchange” within the meaning of section 1005 of the Income Tax Act 2007. Euronext Dublin is a recognised stock exchange for these purposes. The Notes will be treated as listed on Euronext Dublin if they are both officially listed in Ireland in accordance with provisions corresponding to those generally applicable in EEA states and admitted to trading on the regulated market of Euronext Dublin.

If the interest on any Notes is regarded as having a UK source and those Notes are not or cease to be quoted eurobonds, the interest will generally be paid by the relevant Issuer under deduction of UK income tax at the basic rate (currently 20 percent) unless (i) any other relief applies, or (ii) the relevant Issuer has received a direction to the contrary from HMRC in respect of

such relief as may be available pursuant to the provisions of any applicable double taxation treaty. However this withholding will not apply if the relevant interest is paid on Notes with a maturity date of less than one year from the date of issue and which are not issued under arrangements the effect of which is to render such Notes part of a borrowing intended to be capable of remaining outstanding for a year or more. If interest on the Notes regarded as having a UK source were paid under deduction of UK income tax, holders of Notes who are not resident in the UK may be able to recover all or part of the tax deducted if there is an appropriate provision in an applicable double taxation treaty.

A payment in respect of interest on the Notes may be chargeable to UK tax by direct assessment, even where paid without withholding or deduction. Where interest on the Notes is paid without withholding or deduction, such interest will generally not be assessed to UK tax in the hands of holders of the Notes (other than certain trustees) who are not resident in the UK, except where the holder of Notes carries on a trade, profession or vocation through a branch or agency in the UK, or, in the case of a corporate holder, carries on a trade through a permanent establishment in the UK, in connection with which the interest is received or to which the Notes are attributable, in which case (subject to exemptions for interest received by certain categories of agent) tax may be levied on the UK branch or agency, or permanent establishment. Holders of Notes should note that, if HMRC sought to assess UK tax directly against the person entitled to the relevant interest, the provisions relating to additional amounts referred to in Condition 7 (*Taxation*) above would not apply. However, exemption from, or reduction of, such a UK tax liability might be available under an applicable double tax treaty.

**(ii) Payments under the guarantee**

If FCA N.V., as Guarantor, makes any payments in respect of interest on Notes issued by FCFE, it is possible that such payments may be subject to UK withholding tax at the basic rate (currently 20 percent). Any such withholding would be subject to any relief that may be available and claimed under any applicable double tax treaty, or to any other exemption which may apply.

***Stamp duty and stamp duty reserve tax (“SDRT”)***

No stamp duty (or, in respect of Notes issued by FCA N.V., SDRT) will be payable in the United Kingdom on (i) the issue and delivery into Euroclear, Clearstream or CMU (as applicable) of Notes that constitute loan capital for UK stamp duty purposes, or (ii) an electronic book-entry transfer of Notes in accordance with the normal rules and procedures of Euroclear, Clearstream or the CMU Service (as applicable) in circumstances where there is no (a) written instrument transferring the Notes or any estate or interest in the Notes, and (b) no written contract or written agreement for the sale of any equitable estate or interest in the Notes.

No SDRT will be payable in the United Kingdom on the issue or transfer of Notes that constitute loan capital for UK stamp duty purposes and:

- (A) do not carry a right (exercisable then or later) of conversion into shares or other securities, or to the acquisition of shares or other securities, including loan capital of the same description; and
- (B) do not carry and have not carried:
  - (i) a right to interest the amount of which exceeds a reasonable commercial return on the nominal amount of the capital;
  - (ii) a right to interest the amount of which falls or has fallen to be determined to any extent by reference to the results of, or of any part of, a business or to the value of any property (unless the amount of the interest reduces in the event of the results of a business or part of a business improving, or the value of any property increasing, or the amount of the interest increases in the event of the results of a business or part of a business deteriorating, or the value of any property diminishing); or
  - (iii) a right on repayment to an amount which exceeds the nominal amount of the capital and is not reasonably comparable with what is generally repayable (in respect of a similar nominal amount of capital) under the terms of issue of loan capital listed in the Official List of the London Stock Exchange.

## The Netherlands

This summary solely addresses the principal Dutch tax consequences of the acquisition, ownership and disposal of Notes issued on or after the date of this Base Prospectus and does not purport to describe every aspect of taxation that may be relevant to a particular holder. Tax matters are complex, and the tax consequences of the Programme to a particular holder of the Notes will depend in part on such holder's circumstances. Accordingly, a holder is urged to consult his own tax adviser for a full understanding of the tax consequences of the Programme to him, including the applicability and effect of Dutch tax laws.

Where in this summary English terms and expressions are used to refer to Dutch concepts, the meaning to be attributed to such terms and expressions shall be the meaning to be attributed to the equivalent Dutch concepts under Dutch tax law. Where in this summary the terms "the Netherlands" and "Dutch" are used, these terms refer solely to the European part of the Kingdom of the Netherlands.

This summary is based on the tax law of the Netherlands (unpublished case law not included) as it stands at the date of this Base Prospectus. The tax law upon which this summary is based is subject to changes, possibly with retroactive effect. Any such change may invalidate the contents of this summary, which will not be updated to reflect such change.

The summary in this Dutch taxation paragraph does not address the Dutch tax consequences for a holder of Notes who:

- (i) is a person who may be deemed an owner of Notes for Dutch tax purposes pursuant to specific statutory attribution rules in Dutch tax law;
- (ii) is, although in principle subject to Dutch corporation tax, in whole or in part, specifically exempt from that tax in connection with income from Notes;
- (iii) is an investment institution as defined in the Dutch Corporation Tax Act 1969;
- (iv) owns Notes in connection with a membership of a management board or a supervisory board, an employment relationship, a deemed employment relationship or management role;
- (v) has a substantial interest in FCA or a deemed substantial interest in FCA for Dutch tax purposes. Generally, a person holds a substantial interest if (a) such person – either alone or, in the case of an individual, together with his partner or any of his relatives by blood or by marriage in the direct line (including foster-children) or of those of his partner for Dutch tax purposes – owns or is deemed to own, directly or indirectly, 5 percent or more of the shares or of any class of shares of FCA, or rights to acquire, directly or indirectly, such an interest in the shares of FCA or profit participating certificates relating to 5 percent or more of the annual profits or to 5 percent or more of the liquidation proceeds of FCA, or (b) such person's shares, rights to acquire shares or profit participating certificates in FCA are held by him following the application of a non-recognition provision; or
- (vi) is a corporate entity or taxable as a corporate entity and who is resident or deemed to be resident of Aruba, Curaçao or Sint Maarten for tax purposes.

### ***Withholding tax***

All payments under Notes may be made free from withholding or deduction of or for any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority of or in the Netherlands, except (i) where Notes are issued under such terms and conditions that such Notes are capable of being classified as equity of FCA for Dutch tax purposes or actually function as equity of FCA within the meaning of article 10, paragraph, 1 letter d of the Dutch Corporation Tax Act 1969, and (ii) that as of January 1, 2021. Dutch withholding tax may apply on certain (deemed) payments of interest made to an affiliated (*gelieerde*) entity of FCA N.V. if such entity (i) is considered to be resident in a jurisdiction that is listed in the yearly updated Dutch Regulation on low-taxing states and non-cooperative jurisdictions for tax purposes, or (ii) has a permanent establishment located in such jurisdiction to which the interest is attributable, or (iii) is entitled to the interest payable for the main purpose or one of the main purposes to avoid taxation of another person, or (iv) is a hybrid entity, or (v) is not resident in any jurisdiction, all within the meaning of the Dutch Withholding Tax Act 2021.

If the exception as referred to in sub (i) above applies, FCA would generally be required to withhold Dutch dividend withholding tax at a rate of 15 percent from payments made by it under the Notes. However, FCA may not be required to

withhold Dutch dividend withholding tax on payments to a holder of Notes who is not a resident or deemed to be resident in the Netherlands for Dutch tax purposes, if FCA is considered to be a tax resident of both the Netherlands and the United Kingdom, or the Netherlands and another jurisdiction (such as Italy) in accordance with the domestic tax residency provisions applied by each of these jurisdictions, while an applicable double tax treaty between the Netherlands and such other jurisdiction attributes the tax residency exclusively to that other jurisdiction.

### ***Taxes on income and capital gains***

#### *Non-resident holders of Notes*

##### *Individuals*

If a holder of Notes is an individual who is neither resident nor deemed to be resident in the Netherlands for purposes of Dutch income tax, he will not be subject to Dutch income tax in respect of any benefits derived or deemed to be derived from or in connection with Notes, except if

- (i) he derives profits from an enterprise, whether as an entrepreneur or pursuant to a co-entitlement to the net value of such enterprise, other than as a shareholder, and such enterprise is carried on, in whole or in part, through a permanent establishment or a permanent representative in the Netherlands, and his Notes are attributable to such permanent establishment or permanent representative; or
- (ii) he derives benefits or is deemed to derive benefits from or in connection with Notes that are taxable as benefits from miscellaneous activities performed in the Netherlands.

##### *Corporate entities*

If a holder of Notes is a corporate entity, or an entity, including an association, a partnership and a mutual fund, taxable as a corporate entity, which is neither resident nor deemed to be resident in the Netherlands for purposes of Dutch corporation tax, it will not be subject to Dutch corporation tax in respect of any benefits derived or deemed to be derived from or in connection with Notes, except if

- (i) it derives profits from an enterprise directly which is carried on, in whole or in part, through a permanent establishment or a permanent representative in the Netherlands and to which permanent establishment or permanent representative its Notes are attributable; or
- (ii) it derives profits pursuant to a co-entitlement to the net value of an enterprise which is managed in the Netherlands, other than as a holder of securities and to which enterprise its Notes are attributable.

##### *General*

A holder of Notes will not be deemed to be resident in the Netherlands for Dutch tax purposes by reason only of the execution and/or enforcement of the documents relating to the issue of Notes or the performance by FCA of its obligations under such documents or under the Notes.

If a holder of Notes is neither resident nor deemed to be resident in the Netherlands, such holder will for Dutch tax purposes not carry on or be deemed to carry on an enterprise, in whole or in part, through a permanent establishment or a permanent representative in the Netherlands by reason only of the execution and/or enforcement of the documents relating to the issue of Notes or the performance by FCA of its obligations under such documents or under Notes.

### ***Gift and inheritance taxes***

No Dutch gift tax or Dutch inheritance tax will arise with respect to an acquisition or deemed acquisition of Notes by way of gift by, or upon the death of, a holder of Notes who is neither resident nor deemed to be resident in the Netherlands for purposes of Dutch gift tax or Dutch inheritance tax except if, in the event of a gift whilst not being a resident nor being a deemed resident in the Netherlands for purposes of Dutch gift tax or Dutch inheritance tax, the holder of Notes becomes a resident or a deemed resident in the Netherlands and dies within 180 days after the date of the gift.



For purposes of Dutch gift tax and Dutch inheritance tax, a gift of Notes made under a condition precedent is deemed to be made at the time the condition precedent is satisfied.

### ***Registration taxes and duties***

No Dutch registration tax, transfer tax, stamp duty or any other similar documentary tax or duty, other than court fees, is payable in the Netherlands in respect of or in connection with the execution and/or enforcement (including by legal proceedings and including the enforcement of any foreign judgment in the courts of the Netherlands) of the documents relating to the issue of Notes, the performance by FCA of its obligations under such documents or under Notes, or the transfer of Notes, except that Dutch real property transfer tax may be due upon an acquisition, in connection with Notes, of real property situated in the Netherlands, (an interest in) an asset that qualifies as real property situated in the Netherlands, or (an interest in) a right over real property situated in the Netherlands, for the purposes of Dutch real property transfer tax or where Notes are issued under such terms and conditions that they represent (an interest in) an asset that qualifies as real property situated in the Netherlands, for the purposes of Dutch real property transfer tax.

### **Luxembourg**

The following discussion addresses certain Luxembourg tax consequences for potential purchasers or holders of Notes, based on current law and practice in Luxembourg. This discussion is for general information purposes only and does not purport to be a comprehensive description of all possible tax consequences that may be relevant. Potential purchasers of Notes should consult their own professional advisers as to the consequences of making an investment in, holding or disposing of the Notes and the receipt of any amount in connection with the Notes and Coupons.

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a tax, duty, levy, impost or other charge or withholding of a similar nature, or to any other concepts, refers to Luxembourg tax law and/or concepts only. Also, please note that a reference to Luxembourg income tax encompasses corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*), a solidarity surcharge (*contribution au fonds pour l'emploi*), as well as personal income tax (*impôt sur le revenu*) generally. Investors may further be subject to net wealth tax (*impôt sur la fortune*) as well as other duties, levies or taxes. Corporate income tax, municipal business tax as well as the solidarity surcharge invariably apply to most corporate taxpayers resident in Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax and the solidarity surcharge. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well under the Notes.

### ***Withholding Tax***

#### ***Non-resident holders of Notes***

Under Luxembourg general tax laws currently in force, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Notes, nor on accrued but unpaid interest in respect of the Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by non-resident holders of Notes.

#### ***Resident holders of Notes***

Under Luxembourg general tax laws currently in force and subject to the law of December 23, 2005 (as amended, the “Relibi Law”), there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of Notes, nor on accrued but unpaid interest in respect of Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Notes held by Luxembourg resident holders of Notes.

Under the Relibi Law, payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to an individual beneficial owner who is a resident of Luxembourg will be subject to a withholding tax of 20 percent (“the 20 percent Luxembourg Withholding Tax”). The 20 percent Luxembourg Withholding Tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent.

## ***Taxes on Income and Capital Gains***

### *Non-resident holders of Notes*

Holders of Notes will not become residents, or be deemed to be residents, in Luxembourg by reason only of the holding of the Notes.

Holders of Notes who are non-residents of Luxembourg and who do not hold the Notes through a permanent establishment, a permanent representative or a fixed base of business in Luxembourg to which or to whom the holding of the Notes is attributable, are not liable for Luxembourg income tax on payments of principal or interest (including accrued but unpaid interest), payments received upon redemption, repurchase or exchange of the Notes or the realisation of capital gains on the sale or exchange of any Notes.

A non-resident corporate holder of Notes or an individual holder of Notes acting in the course of the management of a professional or business undertaking, who has a permanent establishment or permanent representative in Luxembourg to which or to whom such Notes are attributable, is subject to Luxembourg income tax on interest accrued or received, redemption premiums or issue discounts, under the Notes and on any gains realised upon the sale or disposal, in any form whatsoever, of the Notes.

### *Resident holders of Notes*

Holders of Notes who are residents of Luxembourg will not be liable for any Luxembourg income tax on repayment of principal.

#### *(a) Luxembourg resident individual holder of Notes*

An individual holder of Notes, acting in the course of the management of his/her private wealth, is subject to Luxembourg income tax at progressive rates in respect of interest received, redemption premiums or issue discounts, under the Notes, except if (i) the 20 percent Luxembourg Withholding Tax has been levied, or (ii) the individual holder of the Notes has opted for the application of a 20 percent tax in full discharge of income tax in accordance with the Relibi law, which applies if a payment of interest has been made or ascribed by a paying agent established in a EU Member State (other than Luxembourg), or in a Member State of the European Economic Area (other than a EU Member State), (the “20 percent. Tax”).

The 20 percent Luxembourg Withholding Tax or the 20 percent Tax represents the final tax liability on interest received for the Luxembourg resident individuals receiving the interest payment in the framework of their private wealth and can be reduced in consideration of foreign withholding tax, based on double tax treaties concluded by Luxembourg (but only up to the amount of Luxembourg tax due on such interest payments).

Individual holders of Notes resident in Luxembourg and receiving the interest in the course of the management of a professional or business undertaking must, for income tax purposes, include any interest received (or accrued) in their taxable basis. If applicable, the 20 percent Luxembourg Withholding Tax and the 20 percent Tax levied will be credited against their final income tax liability.

Individual Luxembourg resident holders of Notes are not subject to taxation on capital gains upon the sale or disposal, in any form whatsoever, of the Notes owned in the framework of their private wealth, unless the sale or disposal of the Notes precedes their acquisition or the Notes are sold or disposed of within six months of their acquisition. However, any portion of such gain corresponding to accrued but unpaid interest income is subject to Luxembourg income tax, except if the 20 percent Luxembourg Withholding Tax and the 20 percent Tax has been levied.

#### *(b) Luxembourg resident corporate holder of Notes*

A corporate entity (“*société de capitaux*”), which is a Luxembourg resident holder of Notes and which is subject to corporate taxes in Luxembourg without the benefit of a special tax regime in Luxembourg or a foreign entity of the same type which has a Luxembourg permanent establishment or a permanent representative in Luxembourg to which or to whom the holding of Notes is attributable, must include in its taxable income any interest (including accrued but unpaid interest), redemption premium or issue discount and in case of sale, repurchase, redemption or exchange, in any form whatsoever, the difference between the sale, repurchase, redemption or exchange price (including accrued but unpaid interest) and the lower of cost or

book value of the Notes sold, repurchased, redeemed or exchanged. These holders of Notes should not be liable for any Luxembourg income tax on repayment of principal upon repurchase, redemption or exchange of the Notes.

Luxembourg resident corporate holders of Notes which benefit from a special tax regime such as family wealth management companies subject to the law of May 11, 2007, as amended, undertakings for collective investment subject to the law of December 17, 2010, as amended, specialised investment funds subject to the law of February 13, 2007, as amended or reserved alternative investment funds subject to the law of July 23, 2016, provided it is not foreseen in the incorporation documents that (i) the exclusive object is the investment in risk capital and that (ii) article 48 of the aforementioned law of July 23, 2016 apply, are tax exempt entities in Luxembourg and are thus not subject to any Luxembourg tax (*i.e.*, corporate income tax, municipal business tax and net wealth tax) other than the annual subscription tax calculated on their (paid up) share capital (and share premium) or net asset value.

### ***Other Taxes***

There is no Luxembourg registration tax or any other similar tax or duty payable in Luxembourg by a holder of Notes as a consequence of the issuance of the Notes, nor will any of these taxes be payable as a consequence of a subsequent transfer, exchange, redemption or repurchase of the Notes.

However, a fixed or *ad valorem* registration duty may be due upon the registration of the Notes in Luxembourg in the case where the Notes are appended/attached to a public deed or any other document which requires mandatory registration as well as in the case of a registration of the Notes on a voluntary basis.

Luxembourg net wealth tax will not be levied on the Notes held by a corporate holder of Notes, unless: (a) such holder of Notes is a Luxembourg resident other than a holder of Notes governed by (i) the law of December 17, 2010 on undertakings for collective investment, as amended, (ii) the law of February 13, 2007 on specialised investment funds, as amended, (iii) the law of May 11, 2007 on family wealth management companies, as amended, (iv) the law of July 23, 2016 on reserved alternative investment funds, (v) the law of March 22, 2004 on securitisation, as amended, (vi) the law of June 15, 2004 on venture capital, as amended<sup>2</sup>; or (b) the Notes are attributable to an enterprise or part thereof which is carried on in Luxembourg through a permanent establishment or a permanent representative.

No Luxembourg inheritance taxes are levied on the transfer of the Notes upon the death of a holder of Notes in cases where the deceased was not a resident of Luxembourg for inheritance law purposes. Where the deceased was a resident of Luxembourg for tax purposes at the time of his/her death, the Notes are included in his/her taxable estate for inheritance tax assessment purposes.

No Luxembourg gift tax will be levied on the transfer of the Notes by way of gift unless the gift is embodied in a Luxembourg deed passed in front of a Luxembourg notary or recorded in Luxembourg.

### ***Taxation of FCFE***

FCFE is incorporated as a *société en nom collectif*, it is therefore considered a tax transparent company from a Luxembourg perspective. FCFE is as a result not subject to corporate income tax nor to net wealth tax but may be subject to municipal business tax in Luxembourg at the standard rate, at certain conditions.

FCFE will not be subject to VAT in Luxembourg in respect of payments in consideration for the issue of the Notes or in respect of payments of interest or principal under the Notes or the transfer of the Notes.

Luxembourg VAT may however be payable in respect of fees charged for certain services rendered to FCFE if, for Luxembourg VAT purposes, such services are rendered or are deemed to be rendered in Luxembourg and an exemption from Luxembourg VAT does not apply with respect to such services.

---

<sup>2</sup> Please note that a securitisation company subject to the amended law of March 22, 2004, a company subject to the amended law of June 15, 2004 on venture capital vehicles as well as a reserved alternative investment fund subject to the law of July 23, 2016, provided it is foreseen in its incorporation documents that (i) its exclusive object is the investment in risk capital and that (ii) article 48 of the aforementioned law of July 23, 2016 applies, as from January 1, 2016, may be subject to a minimum net wealth tax.

## Italy

### *Tax Treatment of Interest*

Legislative Decree No. 239 of April 1, 1996 (as amended, the “Legislative Decree 239”) provides for the tax treatment applicable to interest, premium and other income (including the difference between the redemption amount and the issue price; such interest, premium and other income collectively referred to as “Interest”) arising from notes falling within the category of bonds (*obbligazioni*) or bond-like securities (*titoli similari alle obbligazioni*) issued, *inter alia*, by non-resident companies, such as the Notes, provided that these securities are deposited with banks, qualified financial intermediaries (SIMs), fiduciary companies, asset management companies (SGRs), stockbrokers and other entities identified by a decree of the Ministry of Economy and Finance (each, an “Intermediary”). An Intermediary must (i) be resident in Italy or be the Italian permanent establishment of a non-Italian resident financial intermediary and (ii) intervene, in any way, in the collection of interest accrued on, or in the transfer of, the notes. For the purpose of Legislative Decree 239, a transfer of notes includes any assignment or transfer, made either with or without consideration, which results in a change of the ownership of the relevant notes or in a change of the Intermediary with which the notes are deposited.

### *Italian Resident Noteholders*

Where an Italian resident beneficial owner of the Notes is (i) an individual not engaged in an entrepreneurial activity to which the Notes are connected (unless he has opted for the application of the discretionary investment portfolio regime — see under section “*Tax Treatment of Capital Gains*” below), (ii) a non-business partnership, (iii) a non-business private or public institution, or (iv) an investor exempt from Italian corporate income tax, any Interest derived from the Notes, and accrued during the relevant holding period is subject to a tax withheld at source (*imposta sostitutiva*) levied at the rate of 26 percent.

In case the Italian resident Noteholders falling under (i) or (iii), above, are engaged in an entrepreneurial activity to which the Notes are connected, the Interest is currently included in their overall year-end taxable income on an accrual basis and taxed at progressive rates of personal income tax (“IRPEF”) with respect to individuals doing business either directly or through a partnership (currently, the marginal rate equals 43 percent, plus an additional surcharge of up to about 4 percent depending on the region and municipality of residence) or corporate income tax (IRES), with respect to private and public institutions, currently levied at a rate of 24 percent. In such cases, the *imposta sostitutiva* is levied as a provisional tax creditable against the overall income tax due.

Subject to certain conditions (including a minimum holding period requirement) and limitations, interest, premium and other income relating to the Notes (being financial instruments issued by an EU corporation with a permanent establishment in Italy, although the issuance of the Notes is not allocated to such permanent establishment) might be exempt from any income taxation (including from the 26 percent *imposta sostitutiva*) if the Noteholders are Italian resident individuals not engaged in entrepreneurial activity or social security entities pursuant to Legislative Decree No. 509 of June 30, 1994 and Legislative Decree No. 103 of February 10, 1996 and the Notes are included in a long-term savings account (*piano di risparmio a lungo termine*) that meets all the requirements set forth under Italian tax law.

Where an Italian resident Noteholder is a company or similar business entity, the Interest would not be subject to the *imposta sostitutiva*, but currently included in the Noteholder’s overall year-end income as accrued and is therefore subject to corporate income tax (“IRES”), plus an IRES surtax of 3.5 percent in case of banks and certain financial institutions (other than asset management companies and Italian *società di intermediazione mobiliare*), and, in addition, in certain circumstances, depending on the “status” of the Noteholder (*i.e.*, generally, in the case of banks or financial institutions), to a regional tax on productive activities (“IRAP”).

Under Law Decree No. 351 of September 25, 2001 (“Decree 351”), converted into law with amendments by Law No. 410 of November 23, 2001, Article 32 of Law Decree No. 78 of May 31, 2010, converted into law with amendments by Law No. 122 of July 30, 2010, and Article 2(1)(c) of Legislative Decree 239, payments of Interest deriving from the Notes to Italian resident real estate investment funds are subject neither to *imposta sostitutiva* nor to any other income tax in the hands of the Italian real estate fund, provided that the Notes, together with the relevant coupons, are timely deposited with an authorised intermediary. However, a withholding tax or a substitute tax at the rate of 26 percent will generally apply to income realised by unitholders in the event of distributions, redemption or sale of the units.

Subject to certain conditions, income realised by Italian real estate investment funds is attributed pro rata to the Italian resident unitholders (other than institutional investors) irrespective of any actual distribution on a tax transparency basis.

Under Article 9 of Legislative Decree No. 44 of March 4, 2014 (“Decree 44”), the above regime applies also to Interest payments made to closed-ended real estate investment companies (*società di investimento a capitale fisso immobiliari*, or Real Estate SICAFs) which meet the requirements expressly provided by applicable law.

If an Italian resident Noteholder is an open-ended or a closed-ended collective investment fund (“Fund”), a closed-ended investment company (*società di investimento a capitale fisso*, or “SICAF”) or an open-ended investment company (*società di investimento a capitale variabile*, or “SICAV”) established in Italy and either (i) the Fund, the SICAF or the SICAV or (ii) their manager is subject to supervision by the competent regulatory authority and the Notes are deposited with an authorised intermediary, Interest accrued during the holding period on the Notes will not be subject to *imposta sostitutiva*. Interest must, however, be included in the management results of the Fund, the SICAF or the SICAV accrued at the end of each tax period. The Fund, the SICAF or the SICAV will not be subject to *imposta sostitutiva*, but a withholding tax of 26 percent will be levied, in certain circumstances, on proceeds distributed in favour of unitholders or shareholders by the Fund, the SICAF or the SICAV.

Where an Italian resident Noteholder is a pension fund subject to the regime provided for by Article 17 of Legislative Decree No. 252 of December 5, 2005, the Interest accrued during the holding period is not subject to the *imposta sostitutiva* but is included in the year-end result of the fund’s relevant portfolio, which is subject to a substitute tax currently levied at a rate of 20 percent. Subject to certain conditions (including minimum holding period requirement) and limitations, interest, premium and other income relating to the Notes (being financial instruments issued by an EU corporation with a permanent establishment in Italy, although the issuance of the Notes is not allocated to such permanent establishment) might be excluded from the taxable base of the 20 percent substitute tax if the Notes are included in a long-term savings account (*piano di risparmio a lungo termine*) that meets the requirements set forth in Article 1(100-114) of Law No. 232 of December 11, 2016 (the Finance Act 2017) (as subsequently amended).

The *imposta sostitutiva* is levied by the Intermediary with which the Notes are deposited that intervenes in the collection of the Interest.

Where the Notes are not deposited with an Intermediary, the *imposta sostitutiva* is applied and withheld by any entity paying the Interest to a Noteholder.

### ***Non-Italian Resident Noteholders***

No Italian tax is applicable to payments of Interest made to a non-Italian resident Noteholder that does not have a permanent establishment in Italy through which the Notes are held, provided that such Noteholder makes a statement to that effect, if and when required according to the applicable Italian tax regulations.

### ***Payments made by the Guarantor***

There is no authority directly addressing the Italian tax regime of payments made by the Guarantor under the Guarantee.

According to one interpretation of Italian tax law, payments in lieu of interest made by the Guarantor under the Guarantee may be subject to the same regime described above in “*Tax Treatment of Interest*.”

According to another interpretation of Italian tax law, any payments made by the Guarantor under the Guarantee to such Noteholders may be subject to Italian taxation (triggering a 26 percent withholding tax in limited circumstances), depending on “status” of the relevant Noteholder.

No Italian taxation would apply with respect to payments made to a non-Italian resident Noteholder that does not have a permanent establishment in Italy through which the Notes are held.

Prospective investors are urged to consult their own tax advisers as to the tax consequences of any such withholding, including the potential availability of foreign tax credits or deductions for such withholding.

### ***Atypical securities***

Interest payments relating to Notes that are not deemed to fall within the category of bonds (*obbligazioni*) or bond-like securities (*titoli similari alle obbligazioni*) may be subject to a withholding tax, levied at the rate of 26 percent by the Italian resident intermediaries that intervene in the collection of the interest payments. For these purposes, under Article 44(2)(c) of

Presidential Decree No. 917 of December 22, 1986, bonds and bond-like securities (*titoli similari alle obbligazioni*) are securities that incorporate an unconditional obligation for the issuer to pay, at maturity (or at any earlier full redemption of the securities), an amount not lower than their nominal/par value/principal and that do not grant the holder any direct or indirect right of participation in (or control on) the management of the issuer or of the business in connection with which these securities are issued.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not acting in connection with an entrepreneurial activity and social security entities pursuant to Legislative Decree No. 509 of June 30, 1994 and Legislative Decree No. 103 of February 10, 1996 may be exempt from any income taxation, including the withholding tax on interest, premium and other income relating to the Notes that are classified as atypical securities, if the Notes are included in a long-term savings account (*piano di risparmio a lungo termine*) that meets the requirements set forth under Italian tax law.

If the Notes are issued by a non-Italian resident issuer, no withholding tax applies to interest payments made to (a) non-Italian resident Noteholders and (b) Italian resident Noteholders that are (i) companies or similar business entities (including the Italian permanent establishments of non-resident entities), (ii) business partnerships or (iii) private or public business institutions. These Italian resident Noteholders will have to include the interest in their overall year-end income and subject it to IRPEF or IRES (as the case may be) tax rates and also, in certain circumstances, depending on the “status” of the Noteholder (*i.e.*, generally, in the case of banks or financial institutions), to IRAP.

### ***Tax Treatment of Capital Gains***

#### ***Italian Resident Noteholders***

Capital gains realised upon the sale or redemption of the Notes is currently included in the overall taxable income of an Italian company or a similar business entity (including the Italian permanent establishment of non-resident entities to which the Notes are connected) or Italian resident individuals engaged in an entrepreneurial activity to which the Notes are connected. As such, it is subject to corporate or personal income tax, as the case may be, at the rates illustrated above. In addition, in certain circumstances, depending on the “status” of the Noteholder, it may also be subject to IRAP.

Capital gains arising from the sale or redemption of the Notes realised by an Italian resident Noteholder who is: (i) an individual not engaged in an entrepreneurial activity to which the Notes are connected, (ii) a non-business partnership, (iii) a non-business private or public entity are subject to a capital gains tax (CGT), levied at the rate of 26 percent, pursuant to one of the following regimes:

- (i) under the tax return regime (*regime della dichiarazione*), which is the default regime for Italian resident individuals not engaged in an entrepreneurial activity to which the Notes are connected, the CGT is chargeable, on a cumulative basis, on all capital gains, net of any incurred capital loss, realised by any such Noteholder on all sales or redemptions of the Notes occurring in any given tax year. Capital losses in excess of capital gains may be carried forward and offset against capital gains realised in any of the four following years. Capital gains, net of any relevant incurred deductible capital loss, must be reported in the year-end tax return and the tax must be paid on the capital gain together with any income tax due for the relevant tax year; or
- (ii) under the non-discretionary portfolio regime (*regime del risparmio amministrato*), the Noteholder may elect to pay the CGT separately on capital gains realised on each sale or redemption of the Notes. This separate taxation of capital gains is allowed subject to (x) the Notes being deposited with Italian banks, SIMs or certain authorised financial intermediaries and (y) the Noteholder making a timely election in writing for the *regime del risparmio amministrato*, addressed to any such intermediary. The depository is then responsible for accounting for the tax in respect of capital gains realised on each sale or redemption of the Notes (as well as in respect of capital gains realised upon the revocation of its mandate), net of any incurred capital loss, withholding and remitting it to the Italian tax authorities the tax due. Capital losses in excess of capital gains realised within the depository relationship may be carried forward and offset against capital gains realised in any of the four following years; or
- (iii) under the discretionary portfolio regime (*regime del risparmio gestito*), eligible when the Notes are included in a portfolio discretionarily managed by an authorised intermediary, the CGT is paid on the increase in value of the overall investment portfolio of the Noteholder managed by such intermediary accrued in any

given year (including the gains realised on the sale or redemption of the Notes). The CGT is paid by the authorised intermediary. Any decrease in value of the investment portfolio accrued at year-end may be carried forward and netted against the increases in value accrued in any of the four following years. The Noteholder is not required to declare the capital gains realised in the annual tax return.

Subject to certain conditions (including a minimum holding period requirement) and limitations, capital gains on the Notes (being financial instruments issued by an EU corporation with a permanent establishment in Italy, although the issuance of the Notes is not allocated to such permanent establishment) might be exempt from any income taxation (including from the 26 percent CGT) if the Noteholders are Italian resident individuals not engaged in entrepreneurial activity or social security entities pursuant to Legislative Decree No. 509 of June 30, 1994 and Legislative Decree No. 103 of February 10, 1996 and the Notes are included in a long-term savings account (*piano di risparmio a lungo termine*) that meets all the requirements set forth under Italian tax law.

Any capital gains realised by a Noteholder which is an Italian real estate investment fund or an Italian Real Estate SICAF to which the provisions of Decree 351 or Decree 44 apply will be subject neither to CGT nor to any other income tax at the level of the real estate investment fund or the Real Estate SICAF (see “*Tax Treatment of Interest*”). However a withholding tax or a substitute tax at the rate of 26 percent will generally apply to income realised by unitholders/shareholders in the event of distributions, redemption or sale of units/shares.

Any capital gains realised by a Noteholder which is a Fund, a SICAF or a SICAV will not be subject to CGT but will be included in the result of the relevant portfolio accrued at the end of the relevant tax year. Such result will not be taxed at the level of the Fund, the SICAF or the SICAV, but income realised by the unitholders or shareholders in case of distributions, redemption or sale of the units/shares may be subject to a withholding tax of 26 percent (see “*Tax Treatment of Interest*”).

Any capital gains realised by a Noteholder that is an Italian pension fund (subject to the regime provided for by Article 17 of Legislative Decree No. 252 of 2005) is included in the balance of the fund’s relevant portfolio accrued at the end of the tax period, to be subject to the 20 percent substitute tax. Subject to certain conditions (including a minimum holding period requirement) and limitations, interest, premium and other income relating to the Notes (being financial instruments issued by an EU corporation with a permanent establishment in Italy, although the issuance of the Notes is not allocated to such permanent establishment) might be excluded from the taxable base of the 20 percent substitute tax if the Notes are included in a long-term savings account (*piano di risparmio a lungo termine*) that meets the requirements set forth in Article 1(100-114) of Law No. 232 of December 11, 2016 (the Finance Act 2017) (as subsequently amended).

### ***Non-Italian Resident Noteholders***

Capital gains realised by non-Italian resident Noteholders from the sale or redemption of the Notes are not subject to Italian taxation, provided that the Notes are held outside Italy.

### ***Inheritance and Gift Taxes***

Pursuant to Law Decree No. 262 of October 3, 2006, as converted in law, with amendments, pursuant to Law No. 286 of November 24, 2006, a transfer of the Notes by reason of death or gift is subject to an inheritance and gift tax levied on the value of the inheritance or gift, as follows:

- Transfers to a spouse or direct descendants or relatives in direct line up to €1,000,000 to each beneficiary are exempt from inheritance and gift tax. Transfers in excess of such threshold will be taxed at a 4 percent rate on the value of the Notes exceeding such threshold;
- Transfers between relatives up to the fourth degree other than siblings, and direct or indirect relatives by affinity up to the third degree are taxed at a rate of 6 percent on the value of the Notes (where transfers between siblings up to a maximum value of €100,000 for each beneficiary are exempt from inheritance and gift tax); and
- Transfers by reason of gift or death of Notes to persons other than those described above will be taxed at a rate of 8 percent on the value of the Notes.

If the beneficiary of any such transfer is a disabled individual, whose handicap is recognised pursuant to Law No. 104 of February 5, 1992, the tax is applied only on the value of the assets (including the Notes) received in excess of €1,500,000 at the rates illustrated above, depending on the type of relationship existing between the deceased or donor and the beneficiary.

### ***Stamp Duty on the Notes***

Pursuant to Article 13(2-ter) of the Tariff (*tariffa*) attached to Presidential Decree No. 642 of October 26, 1972, regulating the Italian stamp duty, a proportional stamp duty applies on the periodic reporting communications sent by Italian-based financial intermediaries to their clients with respect to any financial products (including bonds, such as the Notes). The stamp duty does not apply to the communications sent or received by pension funds and health funds.

Such stamp duty is generally levied by the above-mentioned financial intermediaries, and computed on the fair market value of the financial instruments or, in case the fair market value cannot be determined, on their face or redemption values (or purchase cost) at a rate of 0.2 percent with a cap of €14,000 per year for clients other than individuals. The stamp duty is levied on an annual basis. In case of reporting periods of less than 12 months, the stamp duty is pro-rated.

### ***Wealth Tax on Financial Products Held Abroad***

Under Article 19(18-23) of Law Decree No. 201 of December 6, 2011, Italian resident individuals, non-business entities and non-business partnerships resident for tax purposes in Italy, which hold financial products – including the Notes – outside Italy are required to pay a wealth tax at the rate of 0.2 percent. This tax is calculated on the fair market value (or, in case the fair market value cannot be determined, on their face or redemption values, or purchase cost) of any financial product (including bonds such as the Notes) held abroad by Italian resident individuals. A tax credit is generally granted for any foreign wealth tax levied abroad on such financial products.

Prospective investors are urged to consult their own tax advisers as to the tax consequences of the application of the new stamp duty on their investment in Notes.

### ***Transfer Tax***

Contracts relating to the transfer of securities are subject to a €200 registration tax as follows: (i) public deeds and private deeds with notarised signatures are subject to mandatory registration; and (ii) private deeds are subject to registration only in the case of voluntary registration or if the so-called “caso d’uso” occurs.

### ***Certain Reporting Obligations for Italian Resident Noteholders***

Under Law Decree No. 167 of June 28, 1990, as subsequently amended and supplemented, individuals, non-business entities and non-business partnerships that are resident in Italy and, during the fiscal year, hold investments abroad or have financial assets abroad (including possibly the Notes) must, in certain circumstances, disclose these investments or financial assets to the Italian tax authorities in their income tax return (or, in case the income tax return is not due, in a proper form that must be filed within the same time as prescribed for the income tax return), regardless of the value of such assets (save for deposits or bank accounts having an aggregate value not exceeding € 15,000 threshold throughout the year, which per se do not require such disclosure). The requirement applies also where the persons above, being not the direct holder of the financial assets, are the actual economic owners thereof for the purposes of anti-money laundering legislation.

No disclosure requirements exist for investments and financial assets (including the Notes) under management or administration entrusted to Italian resident intermediaries (Italian banks, SIMs, fiduciary companies or other professional intermediaries, indicated in Article 1 of Decree No. 167 of June 28, 1990) and for contracts concluded through their intervention, provided that the cash flows and the income derived from such activities and contracts have been subjected to Italian withholding or substitute tax by such intermediaries.

### **The proposed Financial Transactions Tax**

The European Commission has published a proposal (the “Commission’s Proposal”) for a Directive for a common financial transactions tax (“FTT”) in Austria, Belgium, France, Germany, Greece, Italy, Portugal, Slovakia, Slovenia, Spain (the “Participating Member States”) and Estonia. However, Estonia has since stated that it will not participate.



The Commission's Proposal has very broad scope and could, if introduced in its current form, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. Primary market transactions referred to in Article 5(c) of Regulation (EC) No. 1287/2006 are expected to be exempt.

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.

The Commission's Proposal remains subject to negotiation among the 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 and/or certain of the Participating Member States may decide to withdraw.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

### **Hong Kong**

The following is a general description of certain tax considerations relating to the Notes and is based on law and relevant interpretations thereof in effect as at the date of this Base Prospectus, all of which are subject to change, and does not constitute legal or taxation advice. It does not purport to be a complete analysis of all tax considerations relating to the Notes. Prospective holders of Notes who are in any doubt as to their tax position or who may be subject to tax in a jurisdiction are advised to consult their own professional advisers.

#### ***Withholding tax***

No withholding tax in Hong Kong is payable in respect of payments of principal (including any premium payable on redemption of the Notes) or interest on the Notes or in respect of any capital gains arising from the sale of the Notes.

#### ***Profits tax***

Hong Kong profits tax is chargeable on every person carrying on a trade, profession or business in Hong Kong in respect of profits arising in or derived from Hong Kong from such trade, profession or business (excluding profits arising from the sale of capital assets).

Under the Inland Revenue Ordinance (Cap. 112) of Hong Kong (the "IRO"), as it is currently applied in the Inland Revenue Department, interest on the Notes may be deemed to be profits arising in or derived from Hong Kong from a trade, profession or business carried on in Hong Kong in the following circumstances:

- (i) interest on the Notes is derived from Hong Kong and is received by or accrues to a corporation carrying on a trade, profession or business in Hong Kong; or
- (ii) interest on the Notes is derived from Hong Kong and is received by or accrues to a person other than a corporation, carrying on a trade, profession or business in Hong Kong and is in respect of the funds of that trade, profession or business; or
- (iii) interest on the Notes is received by or accrues to a financial institution (as defined in the IRO) and arises through or from the carrying on by the financial institution of its business in Hong Kong; or
- (iv) interest on the Notes is received by or accrues to a corporation, other than a financial institution, and arises through or from the carrying on in Hong Kong by the corporation of its intra-group financing business (within the meaning of section 16(3) of the IRO).

Sums received by or accrued to a financial institution by way of gains or profits arising through or from the carrying on by the financial institution of its business in Hong Kong from the sale, disposal or redemption of the Notes will be subject to Hong Kong profits tax. Sums received by or accrued to a corporation, other than a financial institution, by way of gains or profits arising through or from the carrying on in Hong Kong by the corporation of its intra-group financing business (within

the meaning of section 16(3) of the IRO) from the sale, disposal or other redemption of Notes will be subject to Hong Kong profits tax.

Sums derived from the sale, disposal or redemption of the Notes will be subject to Hong Kong profits tax where received by or accrued to a person, other than a corporation, who carries on a trade, profession or business in Hong Kong and the sum has a Hong Kong source unless otherwise exempted. The source of such sums will generally be determined by having regard to the manner in which the Notes are acquired and disposed of.

In certain circumstances, Hong Kong profits tax exemptions (such as concessionary tax rates) may be available. Investors are advised to consult their own tax advisors to ascertain the applicability of any exemptions to their individual position.

### ***Stamp duty***

Stamp duty will not be payable on the issue of Notes provided either:

- (i) such Notes are denominated in a currency other than the currency of Hong Kong and are not repayable in any circumstances in the currency of Hong Kong; or
- (ii) such Notes constitute loan capital (as defined in the Stamp Duty Ordinance (Cap. 117) of Hong Kong).

If stamp duty is payable, it is payable by the Issuer on the issue of Notes at a rate of 3 percent of the market value of the Notes at the time of issue.

No stamp duty will be payable on any subsequent transfer of Notes.

### **People's Republic of China**

The following summary describes the principal PRC tax consequences of ownership of the Notes by beneficial owners who, or which, are residents of mainland China for PRC tax purposes or who may be otherwise subject to PRC income tax if the interests on other gains are regarded as income derived from sources within the PRC. Holders of Notes should consult their own tax advisers with regard to the application of PRC tax laws to their particular situations as well as any tax consequences arising under the laws of any other tax jurisdiction.

If the holder of the Notes is a PRC entity or individual who, or which, is a resident of the PRC, for PRC tax purposes, pursuant to the PRC Enterprise Income Tax Law and the PRC Individual Income Tax Law and their implementation rules, an income tax shall be levied on both capital gains and payment of interest gained by a PRC resident in respect of the Notes. The current rates of such income tax are twenty percent (20 percent) for individual PRC resident and twenty five percent (25 percent) for any enterprise incorporated in the PRC. For enterprise incorporated in the PRC, the enterprise income tax shall be calculated on a yearly basis, the taxable amount of income of the year shall be the balance of deducting relevant tax-free incomes and other deduction items and remedies for the losses of the previous year from an enterprise's total amount of income. Moreover, for taxable incomes derived outside PRC, if relevant income tax has already been paid outside PRC, such taxable income may be deducted from the amount of income tax for the current period. The limit of tax credit shall be the payable amount of taxes on such incomes computed according to the PRC Enterprise Income Tax Law. For individual PRC resident, the amount of taxable income for interest shall be the amount of income obtained each time.

In addition, pursuant to the PRC Enterprise Income Tax Law, if an enterprise incorporated outside the PRC has its "de facto management body" located within the PRC, such enterprise may be regarded as a "PRC resident enterprise" and thus may be subject to the enterprise income tax at the rate of twenty five percent (25 percent) on its worldwide income. Under the Implementation Rules on the PRC Enterprise Income Tax Law, "de facto management body" is defined as the bodies that substantially exert comprehensive management and control on the business, personnel, accounts and assets of an enterprise. If any holder of the Notes is determined as a "PRC resident enterprise" because its "de facto management body" is located in the territory of the PRC, such PRC resident enterprise shall pay enterprise income tax according to the calculation method as stipulated above.

PRC income tax is generally applicable at the rate of 10 percent to interest and other gains payable to holders that are non-resident enterprises of the PRC, or at the rate of 20 percent to interest and other gains payable to holders that are non-resident individuals of the PRC, to the extent such interest or gains are regarded as income derived from sources within the PRC. Such 10 percent or 20 percent tax rate could be reduced by applicable treaties between PRC and the jurisdiction of the holder.

The holders of Notes who are not resident in the PRC for PRC tax purposes are generally not subject to withholding tax, income tax or any other taxes or duties imposed by any governmental authority in the PRC in respect of their Notes or any repayment of principal and payment of interest made thereon. However, if any of the Issuers or the Guarantor is deemed as a PRC tax resident enterprise for PRC tax purposes, such payment of interest or other gains may be deemed to be derived from sources within the PRC and subject to PRC income tax.

## SUBSCRIPTION AND SALE

The Dealers have, in an amended and restated programme agreement (the “Programme Agreement”) dated March 27, 2020 agreed with the Issuers and the Guarantor a basis upon which they or any of them may from time to time agree to purchase Notes and resell such Notes. Any such agreement will extend to those matters stated under “*Form of the Notes*” and “*Terms and Conditions of the Notes*”. In the Programme Agreement, each of the Issuers (failing which the Guarantor) has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future update of the Programme and the issue of Notes under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith. The Dealers are entitled in certain circumstances to be released and discharged from their obligations under the Programme Agreement prior to the closing of the issue of Notes.

### *United States*

The Notes and any Guarantee thereof have not been and will not be registered under the Securities Act or the securities law of any U.S. state, or other jurisdiction of the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons unless the Notes are registered under the Securities Act or are sold pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Notes are being offered and sold to non-U.S. persons in reliance on Regulation S under the Securities Act. Unless otherwise indicated herein, terms used in this section that are defined in Regulation S are used herein as defined therein.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a U.S. person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the Code and regulations thereunder. The applicable Final Terms will identify whether TEFRA C rules or TEFRA D rules (each as defined under “*Form of the Notes*”) apply (including any relevant selling restrictions) or whether TEFRA is not applicable.

Each Dealer has represented, warranted and undertaken, and each further Dealer appointed under the Programme will be required to represent, warrant and undertake, that it will not offer, sell or deliver any Notes (i) as part of its distribution at any time or (ii) otherwise until 40 days after the completion of the distribution, as determined and certified by the relevant Dealer or, in the case of an issue of Notes on a syndicated basis, the relevant lead manager, of all Notes of the Tranche of which such Notes are a part or (iii) in the event of a distribution of a Tranche that is fungible therewith, until 40 days after the completion of the distribution of such fungible Tranche, as determined by the parties described in clause (ii), within the United States or to, or for the account or benefit of, U.S. persons. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each distributor, dealer or other person receiving a selling concession, fee or other remuneration to which it sells any Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them in Regulation S.

Until 40 days after the completion of the distribution of any Tranche of Notes (as determined in accordance with subclauses (ii) or (iii), as applicable, under the preceding paragraph), an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

### **Prohibition of Sales to EEA and UK Retail Investors**

Unless the Final Terms in respect of any Notes specifies the “Prohibition of Sales to EEA and UK 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 Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the European Economic Area or in the United Kingdom. For the purposes of this provision:

- (a) the expression “retail investor” means a person who is one (or more) of the following:
  - (a) a retail client as defined in point (11) of Article 4(1) of MiFID II; and
  - (b) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; 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 and UK Retail Investors” as “Not Applicable”, in relation to each member state of the European Economic Area and in the United Kingdom (each, a “Relevant State”), 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 made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto to the public in that Relevant State, except that it may make an offer of such Notes to the public in that Relevant State:

- (i) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (ii) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the relevant Issuer for any such offer; or
- (iii) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

*provided* that no such offer of Notes referred to in subparagraphs (i) to (iii) above shall require the relevant Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an “offer to the public” in relation to any Notes in any Relevant 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 and the expression “Prospectus Regulation” means Regulation (EU) 2017/1129.

The European Economic Area and UK selling restriction is in addition to any other selling restrictions set out below.

### ***Canada***

The Notes have not been, and will not be, qualified for sale under the securities laws of any province or territory of Canada. 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, solicited an offer to purchase, or delivered, and that it will not offer, sell, solicit an offer to purchase or deliver, any Notes, directly or indirectly, in Canada or to, or for the benefit of, any resident thereof in contravention of the securities laws of any province or territory of Canada and also without the written permission of the relevant Issuer. Each Dealer has also represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not distributed, and will not distribute, the Base Prospectus or any other offering material relating to the Notes in Canada without the written permission of the relevant Issuer. If the applicable Final Terms or any other offering materials relating to the Notes provide that the Notes may be offered, sold or distributed in Canada, the issue of the Notes will be subject to such additional selling restrictions as the relevant Issuer and the relevant Dealer may agree. Each Dealer will be required to agree that it will offer, sell and distribute such Notes only in compliance with such additional Canadian selling restrictions.

### ***Italy***

The offering of the Notes has not been registered pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor may copies of the Base Prospectus or of any other document relating to the Notes be distributed in the Republic of Italy, except:

- (i) to qualified investors (*investitori qualificati*), as defined pursuant to Article 2 of the Prospectus Regulation and any applicable provisions of Legislative Decree No. 58 of February 24, 1998 (as amended, the “Financial Services Act”) and Italian CONSOB regulations; or
- (ii) in other circumstances which are exempted from the rules on public offerings pursuant to Article 1 of the Prospectus Regulation, Article 34-*ter* of Regulation No. 11971, as amended from time to time and applicable Italian laws.

Any offer, sale or delivery of the Notes or distribution of copies of the Base Prospectus or any other document relating to the Notes in the Republic of Italy under subparagraph (i) or (ii) above must:

- (a) be made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 20307 of February 15, 2018, as amended from time to time, and Legislative Decree No. 385 of September 1, 1993 (as amended, the “Banking Act”); and
- (b) comply with any other applicable laws and regulations or requirement imposed by CONSOB, the Bank of Italy (including the reporting requirements, where applicable, pursuant to Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time) and/or any other Italian authority.

### ***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 as 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 business where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (“FSMA”) by the relevant Issuer;
- (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 relevant Issuer 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.

### ***The Netherlands***

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that Zero Coupon Notes (as defined below) in definitive form may only be transferred and accepted, directly or indirectly, within, from or into the Netherlands through the mediation of either such Issuer or a member firm of Euronext Amsterdam N.V. in full compliance with the Dutch Savings Certificates Act (*Wet inzake spaarbewijzen*) of May 21, 1985 (as amended) and its implementing regulations.

No such mediation is required in respect of:

- (a) the transfer and acceptance of rights representing an interest in a Zero Coupon Note in global form; or
- (b) the initial issue of Zero Coupon Notes in definitive form to the first holders thereof; or
- (c) the transfer and acceptance of Zero Coupon Notes in definitive form between individuals not acting in the conduct of a business or profession; or
- (d) the transfer and acceptance of such Zero Coupon Notes within, from or into the Netherlands if all Zero Coupon Notes (either in definitive form or as rights representing an interest in a Zero Coupon Note in global form) of any particular Series are issued outside the Netherlands and are not distributed into the Netherlands in the course of initial distribution or immediately thereafter.

As used herein, “Zero Coupon Notes” are Notes that are in bearer form and that constitute a claim for a fixed sum against the relevant Issuer and on which interest does not become due during their tenure but only at maturity or on which no interest is due whatsoever.

### ***Belgium***

Other than in respect of Notes for which “Prohibition of Sales to Belgian Consumers” is specified as “Not Applicable” in the applicable Final Terms, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that an offering of Notes may not be advertised to any individual in Belgium qualifying as a consumer (*consument/consommateur*) within the meaning of Article I.1 of the Belgian Code of Economic Law (*wetboek van economisch recht/code de droit économique*), as amended from time to time (a “Belgian Consumer”) and that it has not offered, sold or resold, transferred or delivered, and will not offer, sell, resell, transfer or deliver, the Notes, and that it has not distributed, and will not distribute, any prospectus, memorandum, information circular, brochure or any similar documents in relation to the Notes, directly or indirectly, to any Belgian Consumer.

### ***Japan***

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948 (as amended, the “FIEA”)) and 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, 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, or to others for re-offering or resale, 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 applicable laws, regulations and ministerial guidelines of Japan in effect at the relevant time. As used in this paragraph, “resident of Japan” means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

### ***Hong Kong***

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to 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 (“SFO”) and any rules made under the SFO; 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 (the “C(WUMP)O”) or which do not constitute an offer to the public within the meaning of the C(WUMP)O; 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 SFO and any rules made under the SFO.

### ***People’s Republic of China***

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that the Notes are not being offered or sold and may not be offered or sold, directly or indirectly, in the PRC (for such purposes, not including Hong Kong, Macau or Taiwan), except as permitted by the applicable laws of the PRC.

### ***Singapore***

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore (the “MAS”). 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 the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the 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 Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than:

- (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289 of Singapore, as modified or amended from time to time) (the “SFA”)) pursuant to Section 274 of the SFA;
- (ii) 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; or
- (iii) 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:

- (a) 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
- (b) 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 of the SFA except:

- (A) to an institutional investor or to a relevant person, 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 276(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.

***Singapore SFA Product Classification:*** *In connection with Section 309B of the SFA and the CMP Regulations 2018, unless otherwise specified before an offer of Notes, each of the Issuers has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are ‘prescribed capital markets products’ (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAAN16: Notice on Recommendations on Investment Products).*

### ***Switzerland***

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that, in Switzerland, this Base Prospectus is not intended to constitute an offer or solicitation to purchase or invest in Notes described herein. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the Notes have not been and will not be publicly offered, sold or advertised, directly or indirectly, by any such Dealer in, into or from Switzerland have not been and will not be listed by such Dealer on the SIX Swiss Exchange or on any other exchange or regulated trading facility in Switzerland. Neither this Base Prospectus nor any other offering or marketing material relating to the Notes constitutes a prospectus as such term is understood pursuant to article 652a or article 1156 of the Swiss Code of Obligations nor a simplified prospectus as such term is understood pursuant to article 5 of the Swiss Collective Investment Scheme Act, and neither this Base Prospectus nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this Base Prospectus nor any other offering or marketing material relating to the offering of the Notes has been or will be filed by the Issuer or any Dealer with or approved by any Swiss regulatory authority. Notes issued under the Programme do not constitute a participation in a collective investment scheme in the meaning of the Swiss Collective Investment Schemes Act and are not subject to the approval of, or supervision by, any Swiss regulatory authority, such as the Swiss Financial



Markets Supervisory Authority, and investors in the Notes will not benefit from protection or supervision by any Swiss regulatory authority.

***General***

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will (to the best of its knowledge and belief) 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 Base 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 none of the Issuers, the Guarantor nor any of the other Dealers shall have any responsibility therefor.

None of the Issuers, the Guarantor or the Dealers represents 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 restrictions as the relevant Issuer and the relevant Dealer shall agree.

## GENERAL INFORMATION

### Authorisation

The renewal of the Programme and the issue and guarantee of Notes, as the case may be, have been duly authorised by the resolutions of the board of directors of FCA dated December 19, 2018 and by the resolutions of board of managers of FCFL acting as sole manager of FCFE dated March 23, 2020 and by resolutions of the manager of the Branch dated March 24, 2020. The Guarantee has been given pursuant to Article 3 of the Guarantor's articles of association.

### Listing of Notes on Euronext Dublin

The Base Prospectus has been approved as a base prospectus by the Central Bank, as competent authority under the Prospectus Regulation. The Central Bank only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Approval by the Central Bank of Ireland should not be considered as an endorsement of the relevant Issuer or the Guarantor or of the quality of the Notes. Investors should make their own assessment as to the suitability of investing in the Notes. Such approval relates only to the Notes which are to be admitted to trading on a regulated market for the purposes of MiFID II and/or which are to be offered to the public in any member state of the European Economic Area. Application has been made to Euronext Dublin for the Notes issued under the Programme during the period of 12 months from the date of this Base Prospectus to be admitted to the Official List and trading on its regulated market.

However, Notes may be issued pursuant to the Programme which will not be listed on Euronext Dublin or any other stock exchange or which will be listed on such stock exchange as the relevant Issuer and the relevant Dealer(s) may agree.

Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Issuers in relation to the Notes and is not itself seeking admission of the Notes to the Official List of Euronext Dublin or to trading on the regulated market of Euronext Dublin for the purposes of the Prospectus Regulation.

### Documents Available

Copies of the following documents may be physically inspected at the offices of the Paying Agent in Ireland for the life of the Base Prospectus and are available at the following website [https://www.fcagroup.com/en-US/investors/bond\\_info\\_and\\_credit\\_rating/Pages/bonds.aspx](https://www.fcagroup.com/en-US/investors/bond_info_and_credit_rating/Pages/bonds.aspx) [fcagroup.com]:

- (i) the constitutional documents (in the case of FCFE, with an English translation thereof) of each of FCA and FCFE and the articles of association (with an English translation thereof) of FCA;
- (ii) the audited non-consolidated financial statements of FCFE in respect of the financial years ended December 31, 2019 and 2018 (with an English translation thereof) and the audited consolidated financial statements of the FCA Group in respect of the financial years ended December 31, 2019 and 2018 (the Guarantor prepares audited consolidated accounts on an annual basis);
- (iii) the most recently published audited annual financial statements of the Issuer (on a non-consolidated basis in the case of FCFE and on a non-consolidated and consolidated basis in the case of the Guarantor) and the most recently published unaudited interim financial statements (if any) of the Issuer and the Guarantor (in the case of FCFE, with an English translation thereof);
- (iv) the Agency Agreement, the Guarantee, the Deed of Covenant and the forms of the Global Notes, the Notes in definitive form, the Coupons and the Talons;
- (v) a copy of the Base Prospectus;
- (vi) any future prospectuses, information memoranda and supplements to the Base Prospectus and any other documents incorporated herein or therein by reference, including Final Terms (save for Final Terms relating to unlisted Notes, which will only be available for inspection by holders of the relevant Notes upon the production of evidence satisfactory to the relevant Issuer and the Paying Agent as to its holding of such Notes and identity); and

- (vii) in the case of each issue of listed Notes subscribed pursuant to a subscription agreement, the subscription agreement (or equivalent document).

### **Clearing Systems**

Notes, other than CMU Notes, have been accepted for clearance through Euroclear and Clearstream. The appropriate Common Code and ISIN for each Tranche of Notes allocated by Euroclear and Clearstream will be specified in the applicable Final Terms.

CMU Notes have been accepted for clearance through the CMU Service. The appropriate CMU instrument number for each Tranche of CMU Notes will be specified in the applicable Final Terms.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream is Clearstream Banking, 42, Avenue John F. Kennedy, L-1855 Luxembourg, Grand-Duchy of Luxembourg. The address of CMU Service is 55th Floor, Two International Finance Centre, 8 Finance Street, Central, Hong Kong.

### **Conditions for Determining Price**

The price and amount of Notes to be issued under the Programme will be determined by the relevant Issuer and each relevant Dealer at the time of issue in accordance with prevailing market conditions.

### **Significant or Material Change**

Except as disclosed in the section entitled “Recent Developments”, there has been no significant change in the financial performance or trading position of any of FCA or the Group, including FCFE, since December 31, 2019, and there has been no material adverse change in the prospects of the Issuers or the Guarantor since December 31, 2019.

### **Litigation**

Except as disclosed under “*The FCA Group—Legal Proceedings*” herein, none of the Issuers nor the Guarantor nor any other member of the Group is or has been involved in any legal, governmental or arbitration proceedings (including any proceedings which are pending or threatened of which the Issuers or the Guarantor are aware) which is reasonably likely to have or have had in the 12 months preceding the date of this document a significant effect on the financial position or profitability of the Issuers, the Guarantor or the Group.

For further information concerning the Group’s ongoing legal proceedings, see Note 25 of the Consolidated Financial Statements, incorporated by reference herein.

### **Material Contracts**

Except for the combination agreement, the agreement with Tupy S.A. for the sale of FCA’s global cast iron automotive components business, operated through FCA’s subsidiary Teksid S.p.A., and those contracts entered into in the ordinary course of business of the Group (including those instrumental to said activities, such as financial contracts, joint venture contracts, supply contracts and acquisition agreements) none of the Issuers nor the Guarantor nor any other member of the Group has, in the last two years up to the date of this Base Prospectus, entered into any material contract outside of the context of the main business of the Group that may have a material impact to the ability of Group to meet its obligations in respect of the Notes.

### **Independent Auditors**

The independent auditors of FCFE are Ernst & Young S.A., 35E avenue John F. Kennedy, Luxembourg, L-1855, Grand-Duchy of Luxembourg. Ernst & Young S.A. audited the stand-alone accounts of FCFE as of and for the years ended December 31, 2019 and 2018, which are presented in accordance with Luxembourg GAAP, and issued audit reports thereon without qualification, in accordance with International Standards on Auditing as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier (“CSSF”).

Ernst & Young S.A. is a member of the institute of registered auditors (*Institut des Réviseurs d'Entreprises*) which is the Luxembourg member of the International Federation of Accountants and is registered in the public register of approved audit firms held by the CSSF as competent authority for public oversight of approved statutory auditors and audit firms.

From October 28, 2014, the independent auditors of the FCA Group, with respect to the consolidated and the Company Standalone Financial Statements of FCA N.V. as of and for the financial years ended December 31, 2019 and 2018 prepared in accordance with, respectively, (x) IFRS as adopted by the European Union, and (y) the legal requirements set forth in Title 9, Book 2 of the Dutch Civil Code, are Ernst & Young Accountants LLP, with its registered office at Boompjes 258, 3011 XZ Rotterdam, the Netherlands.

The “*Registeraccountants*” of Ernst & Young Accountants LLP are members of the NBA (*Koninklijke Nederlandse Beroepsorganisatie van Accountants* – the Royal Netherlands Institute of Chartered Accountants), which is the Dutch member of the International Federation of Accountants. Ernst & Young Accountants LLP is a registered audit firm holding a permit issued by the AFM as competent authority for public oversight of approved statutory auditors and audit firms in the Netherlands.

### **Dealers Transacting with any of the Issuers and the Guarantor**

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in lending and in investment banking and/or commercial banking transactions with, and may perform services for, the Issuers, the Guarantor and their affiliates in the ordinary course of business. 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, the Guarantor or their affiliates, and 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, the Guarantor or the Issuers’ affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuers and the Guarantor routinely hedge their credit exposure to such entities 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. For the purposes of this paragraph the term “affiliates” includes also parent companies.

**CORPORATE OFFICE OF THE ISSUER AND GUARANTOR**

**Fiat Chrysler Automobiles N.V.**

25 St. James's Street  
London SW1A 1HA  
United Kingdom

**REGISTERED OFFICE OF THE ISSUER**

**Fiat Chrysler Finance Europe *société en nom collectif***

412F, Route d'Esch, L-2086 Luxembourg  
Grand-Duchy of Luxembourg  
acting through its UK Branch

**PRINCIPAL PAYING AGENT**

**Citibank, N.A., London Branch**

Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB  
United Kingdom

**CMU LODGING AND PAYING AGENT**

**Citicorp International Limited**

50/F Champion Tower  
3 Garden Road  
Central  
Hong Kong

**OTHER PAYING AGENT**

**Citibank Europe plc**

1 North Wall Quay  
Dublin 1  
Ireland

**LEGAL ADVISERS**

*To FCA as to English and U.S. law*

**Sullivan & Cromwell LLP**

1 New Fetter Lane  
London EC4A 1AN  
United Kingdom

*To FCFE as*

*to Luxembourg law*

**Linklaters LLP, Luxembourg**

35, Avenue John F. Kennedy  
BP 1107

L-1011 Luxembourg

Grand-Duchy of Luxembourg

*To FCA as to Dutch law*

**Loyens & Loeff N.V.**

Fred. Roeskestraat 100  
1076 ED Amsterdam  
The Netherlands

*To the Dealers as to English law*

**Allen & Overy**  
Via Ansperto, 5  
20123 Milan  
Italy

**AUDITORS**

*To Fiat Chrysler Finance Europe*

**Ernst & Young S.A.**  
35E avenue John F. Kennedy  
Luxembourg, L-1855  
Grand-Duchy of Luxembourg

*To Fiat Chrysler Automobiles N.V.*

**Ernst & Young  
Accountants LLP**  
Boompjes 258  
3011 XZ Rotterdam  
Postbus 2295  
3000 CG Rotterdam  
The Netherlands

**ARRANGER**  
**UBS AG London Branch**  
5 Broadgate  
London EC2M 2QS  
United Kingdom

**DEALERS**

**Banca IMI S.p.A.**  
Largo Mattioli 3  
20121 Milan  
Italy

**Banco Bilbao Vizcaya Argentaria, S.A.**  
Ciudad BBVA  
Edificio ASIA, Calle Saucedo, 28  
28050 Madrid  
Spain

**Banco Santander, S.A.**  
Ciudad Grupo Santander  
Avenida de Cantabria  
28660, Boadilla del Monte  
Madrid  
Spain

**Barclays Bank Ireland PLC**  
One Molesworth Street  
Dublin 2  
DO2 RF29  
Ireland

**Barclays Bank PLC**  
5 The North Colonnade  
Canary Wharf  
London E14 4BB  
United Kingdom

**BB Securities Limited**  
4<sup>th</sup> Floor – Pinners Hall, 105-108  
Old Broad Street  
London EC2N 1ER  
United Kingdom

**BNP Paribas**  
16, Boulevard des Italiens  
75009 Paris  
France

**BofA Securities Europe SA**  
51 rue La Boétie  
75008 Paris  
France

**Bradesco BBI S.A.**  
Av. Presidente Juscelino Kubitschek, n.º 1309  
10º floor  
São Paulo, SP, 04543-011  
Brazil

**Citigroup Global Markets Limited**  
Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB  
United Kingdom

**Crédit Agricole Corporate and Investment Bank**  
12, Place des États-Unis  
CS70052  
92547 Montrouge Cedex  
France

**Goldman Sachs International**  
Plumtree Court  
25 Shoe Lane  
London EC4A 4AU  
United Kingdom

**J.P. Morgan Securities plc**  
25 Bank Street  
Canary Wharf  
London E14 5JP  
United Kingdom

**Merrill Lynch International**  
2 King Edward Street  
London EC1A 1HQ  
United Kingdom

**Natixis**  
30 avenue Pierre Mendés France  
75013 Paris  
France

**NatWest Markets Plc**  
250 Bishopsgate  
London EC2M 4AA  
United Kingdom

**Société Générale**  
29 Boulevard Haussmann  
75009 Paris  
France

**Citigroup Global Markets Europe AG**  
Reuterweg 16  
60323 Frankfurt am Main  
Germany

**Commerzbank Aktiengesellschaft**  
Kaiserstraße 16 (Kaiserplatz)  
60311 Frankfurt am Main  
Germany

**Deutsche Bank AG, London Branch**  
Winchester House  
1 Great Winchester Street  
London EC2N 2DB  
United Kingdom

**ING Bank N.V.**  
Foppingadreef 7  
1102 BD Amsterdam  
The Netherlands

**Mediobanca – Banca di Credito Finanziario S.p.A.**  
Piazzetta Enrico Cuccia, 1  
20121 Milan  
Italy

**Morgan Stanley & Co. International plc**  
25 Cabot Square  
Canary Wharf  
London E14 4QA  
United Kingdom

**NatWest Markets N.V.**  
Claude Debussylaan 94  
1082 MD Amsterdam  
The Netherlands

**RBC Europe Limited**  
Riverbank House  
2 Swan Lane  
London EC4R 3BF  
United Kingdom

**UBS AG London Branch**  
5 Broadgate  
London EC2M 2QS  
United Kingdom

**UniCredit Bank AG**

Arabellastraße 12  
81925 Munich  
Germany

**Unione di Banche Italiane S.p.A.**

Piazza Vittorio Veneto 8  
24122 Bergamo  
Italy

**IRISH LISTING AGENT**

Arthur Cox Listing Services Limited  
Ten Earlsfort Terrace  
Dublin 2  
Ireland