



June 29, 2010

In the last two years since we founded the NCRO we have had great accomplishments. As the president I have worked diligently to follow the mission and protect our pensions and benefits. So far I think the NCRO has been the world leader in protecting retiree benefits. We did the impossible when we approached the Auto Task Force last year. I believe those meetings, with the support of GM, Ford, and Delphi organizations, resulted in a WIN that resulted in pensions and benefits being transferred to NEWCO. The NCRO legal effort during the bankruptcy also cemented our success.

GM fared well, but not as well as Chrysler retirees. Delphi retirees didn't fare well at all and are still in ongoing legal battles with the PBGC and Delphi. NCRO is the "role model" for retiree organizations. (I know you remember that term!)

So what does NCRO do next? How do we ever repeat our past success? Or do we fade away due to indifference and short term thinking and become yesterday's news?

When I look at other retiree organizations, most either decline in strength and number after their crisis or they turn the fight over to the NRLN to forward the retiree agenda on a national level.

I believe that the NCRO has been and can continue to be the best retiree organization in the country with your active support. Don't become complacent or indifferent to the potential danger ahead. We must remain active and grow to continue to have a solid financial future as retirees. Please take the action alerts seriously and become active in lobbying your representatives to protect our futures.

This is my last newsletter as my two-year term of office is over. It is time for the next set of hands (and minds) to guide the NCRO future. The board has elected Jay Kuhnle to replace me. Jay is an experienced leader and I believe he is the right man for the job as NCRO seeks new directions for the future. I hope you support him just as strongly as you have me these past two years.

As Jay Kuhnle assumes the NCRO presidency, I offer him my complete support and wish NCRO and Jay every success. As long as I can make a positive contribution to NCRO I will remain a member of the board of directors. Congratulations Jay! And let's make your term even more successful for our fellow retirees.

Everything is OK...Right? A note from Jay Kuhnle

Thanks Chuck for the lead in. You and the NCRO have accomplished remarkable things in the past two years...now we must build on those accomplishments. Now it's up to each member to ask themselves this important question.... Everything is OK now...right? ...We can all sit back and reap the benefits the NCRO garnered in the last two years. And Chrysler is doing well... I've read it in the papers and heard it on the news. The relationship with FIAT is working well. The new vehicles like the RAM Heavy Duty pickup that won *Motor Trend's* Truck of the Year and the new Grand Cherokee are receiving rave reviews. And wow... they even made an operating profit of \$143 million in the last quarter. The press has been very positive about the recent sales success, upcoming products and their future. And Chrysler says they are ahead of their projections for a positive turn-around. Certainly they are out of the woods and our pensions and benefits are secure as well. Right????

So why do we need to continue with the National Chrysler Retirement Organization (NCRO) and why should I lobby on behalf of salaried retirees?

Well in fact there is great news about Chrysler's recovery. That's excellent news for all of us and we should be doing everything we can individually and collectively to help in that recovery. It is in our best interest for Chrysler to return to viability.

But we can't sit back and let our guard down and just assume everything will be ok in the future. We need to be proactive and make sure our pensions and benefits are secure. **The way to do that is to unite and lobby congress to enact laws that protect salaried retirees.**

That's why it is important for **you** to support the NCRO through **your membership and lobby support. Take all of the "Action Alerts" seriously.** Our qualified pensions and healthcare survived the last bankruptcy, but because of the cyclical nature of the auto industry we can't be sure that these will be safe in the future. The efforts of the NCRO to protect pensions and benefits are needed now as much as ever.

The NCRO with **your involvement and support** continues to fight for our rights, pensions and healthcare. We continue our lobbying efforts to change the laws for better protection for salaried retirees.

We still have much to do. We need the support of all affected Chrysler salaried retirees so we can have the number of members and dollars necessary to fight to retain the pension and benefits we've all earned.

Quarterly Breakfast Meeting:

Make your reservations now - Log in and sign up! Reservations close July 16th. The breakfast meeting is less than four weeks away, **Monday, July 26** at the Chrysler Museum. Our guest speaker will be **Joe Veltri, VP of Product Planning, Chrysler Group LLC. Museum access is included** with your paid breakfast meeting attendance on the day of the meeting. **See you there!**

Agenda:

9:30 AM Museum Doors open. Pick up your nametags inside. Meet old friends and check out the museum displays. The cost is \$15 per person for continental breakfast, meeting and museum access. Log into NCRO.org to sign up!

10:00 AM Continental Breakfast on the first and second floors.

10:20 AM Move to tent for presentation

10:30 AM - Mike Cipponeri: Meeting Overview

10:40 Jim Worton: Welcome to my house, the Chrysler Museum

10:50 - Chuck Austin: Accomplishments of NCRO

Thanks for your support and all your hard work

11:00 - Jay Kuhnle: Thanks Chuck for years of hard work

Objectives and concerns for the future

11: 10 – Deb Morrisett: Results of Meeting with Rep. Levin

Changing Legislation

11: 20 - Joe Veltri, VP Product Planning, Chrysler Group LLC

Where does Chrysler Go from Here?

12:00 - Q and A

12:30 – Conclude

(There is limited parking in the museum lot. Overflow parking will be in lot 26. Please carpool so no one has to walk from lot 26.)

Are NCRO members dedicated to the preservation of retiree benefits or are we members of a social club?

On May 7th the NRLN sent an Action Alert to the 5264 NCRO members that have email addresses, requesting that they contact their elected representatives to request support for hearings and legislation to provide fair

treatment for retirees in bankruptcy. Unfortunately, through May 19th only 212 NCRO members (4%) contacted their Senators and/or U.S. Representatives.

At the May NCRO quarterly breakfast meeting in Detroit, Deb Morrissett explained that directors of the NCRO have spent months working with the NRLN on corporate bankruptcy reform needed to protect retiree pensions and healthcare when an employer declares bankruptcy. The Organizations are seeking legislative change to give retiree benefits equal standing in bankruptcy court with other creditors and suppliers. Deb then challenged the meeting participants with **“Is the NCRO an organization dedicated to the preservation of retiree benefits or a social club?”** The results are in and unfortunately the response appears to be “a social club.” Of the 450 meeting participants, there have only been 46 additional congressional contacts. The NCRO leadership, all of us unpaid volunteers, and the NRLN cannot succeed without all of your help. PLEASE RESPOND TO ACTION ALERTS!!!! Here’s an example of what we are trying to accomplish.

Members of NCRO and Other Retiree Groups

Meet with Congressman Levin on “Jobs Bill” Exclusion

Roseville, Michigan – Members of several salaried retiree organizations – including the National Chrysler Retirement Organization (NCRO) – met with U.S. Congressman Sander Levin on June 2 at the Congressman’s Roseville, Michigan office, to voice concerns over an important retiree provision that was left out of a House “Jobs Bill” that was co-authored by the Michigan Congressman, and approved by Congress in May.

The meeting was organized by the National Retiree Legislative Network (NRLN), an advocate for federal legislation to protect retirement pension plans. NRLN had been negotiating with Levin’s committee to include language that would include a “pension asset protection” (PAP) provision in the Bill (H.R. 4213).

H.R. 4213 contains, in part, provisions allowing companies temporary relief from contributing to their pension plans. The bill draft also included limited protection from corporations, which take the funding relief option using pension assets for lump sum severance payments during the relief period. PAP wording endorsed by NRLN and other retiree organizations would have restricted that ability to bleed pension plans for non-pension use, but it was pulled from the final bill after months of negotiations.

The retiree groups were highly critical of Levin and the House Ways and Means Committee when they discovered their PAP clause was dropped.

NCRO is a member of the NRLN, and was represented at the Congressman Levin meeting by Chuck Austin, John Argeropoulos, Chris Dyrda and Deb Morrissett. Other salaried retiree groups represented at the meeting with Congressman Levin included the General Motors Retirees Association (GMRA) and the Detroit Edison Alliance of Retirees (DEAR).

“In general, we were pleased that Congressman Levin took the time to hear our complaints and agreed to follow-up with us in September to address further our concerns for legislation to protect against pension abuses,” said NCRO’s President, Chuck Austin. “While we didn’t get the wording we wanted in this bill, we did make our voices heard, and demonstrated to the Congressman that retiree issues need to be considered in the process going forward.” **To All NCRO members: This is why we need your help and support. Numbers of voters can make our representative sit up and pay attention.**

US Retirees living in Canada

Are you a CUSPLIC? (Chrysler US Pensioner Living In Canada)

A new special interest group has been formed within NCRO to discuss some unique issues that US retirees face when their primary residence is in Canada. Many members of this group have pension income from both the US

and Canadian sides of the border and therefore are members of both NCRO and Chrysler Canada Retiree Org (CCRetirees).

The first meeting of this group was held on Thursday June 10, 2010 in Windsor. There were many concerns raised regarding health care cessation at age 65, a lack of good alternatives regarding health care continuation insurance, pension rate 'claw-backs' in the 30 and out formulary when there is a combination of Canadian and US service, double dipping taxation, getting Medicare when you don't live in the States, and so on....

The intent of this group is to act, under the NCRO umbrella, as an information sharer and advocate on behalf of CUSPLICs regarding their unique needs and interests. There are two governments to deal with and sometimes programs that are different between Chrysler Canada and Chrysler US to navigate. If you would like join our group or for more information, please contact Judy Graham at jg24dcx@gmail.com or 519.727.0431.

Jobs available at Chrysler?

There is a list of a number of salaried positions at Chrysler Group as of 6/25/10. Check out the site: <http://chryslercareers.com/>

SRP Activities

The SRP committee has finalized a plan to recover SRP post age 62. If you haven't signed up or need information contact Jeff Chiappetta (email is chiapet@wowway.com)

Retiree Friendly Dealer Program

Reports indicate that the **12 Detroit Metro dealers and 1 dealer in the Toledo area** are following the Retiree Friendly Dealer "no hassle" Process. They are Crestwood DCJ in Garden City, Golling CJD in Bloomfield Hills, Southfield DCJ, Telegraph DCJ in Taylor, Galeana's Van Dyke Dodge in Warren, Suburban CDJ in Novi, Cueter in Ypsilanti, Bill Snethcamp CJD in Highland Park, Al Deeby CDJ in Clarkston, Szott M59 CJ in Szott M59 Dodge in Highland, Rouen CJD in Woodville, Ohio and Rochester Hills CDJ in Rochester Hills.

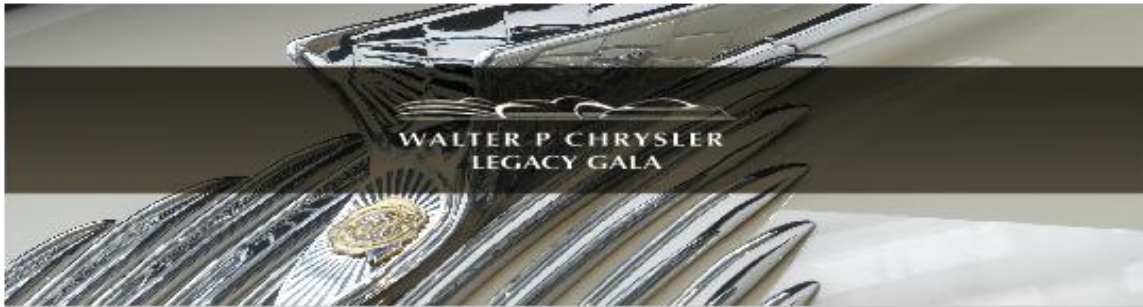
If you are in the market for a vehicle go to <http://www.NCRO.org> click on "Members" tab and go to "Auto/Lease Buy" for details on the process as well as who to contact at the dealerships to schedule an appointment. Once your appointment is completed feel free to log onto the NCRO blog at <http://blog.ncro.org> to report your experience, whether good or bad.

Also please remember The Employee and Retiree Advantage Program has been renewed for the 2010CY. **You have a new allotment of 6 Employee Purchase (EP) (95% of invoice for the retiree and eligible family members only) and 6 Friends Program (PP) (99 % of invoice for friends and colleagues) control numbers available for use.** You can get those numbers at <https://www.ea.chrysler.com/employeeadvantage/login.jsp>

Remember your Lease car replacement incentive vouchers are good through December 31, 2010. Participants who cannot locate their voucher should contact the Rebate Hotline at 1-800-227-0757, select Option #3, and a representative will provide the original voucher number. " They will also help you with the complete list of incentives which include Employee Pricing, the lease voucher certificates, consumer cash and special financing.

Special Gala honoring LAI

If you are interested there is a special gala honoring Lee Iacocca at the Museum on July 24. Richard Petty, Jay Leno and Virgil Exner will also be honored at the event. Tickets are a little steep at \$500 but funds go to a good cause... preserving the Chrysler legacy at the museum.



CELEBRATE 85 YEARS OF CHRYSLER HERITAGE

with a once-in-a-lifetime gathering of guests.

SATURDAY, JULY 24, 2010

7:00 p.m. — 11:00 p.m.

at the

Walter P. Chrysler Museum

One Chrysler Drive | Auburn Hills, Michigan 48326



JOIN US AS WE HONOR

FOUR AUTOMOTIVE AND ENTERTAINMENT
ICONS – AND VERY SPECIAL GALA GUESTS –
WITH THE INAUGURAL WALTER P. CHRYSLER
LEGACY AWARD:

- Former Chrysler Chairman and CEO **Lee Iacocca**
- Comedian and Car Collector **Jay Leno**
- NASCAR Champion **Richard Petty**
- Former Chrysler Design Chief and father of the famed Forward Look, **Virgil Exner** (inducted posthumously; represented by his son, Virgil Exner, Jr.)

ENJOY A FESTIVE EVENING FEATURING:

- Strolling dinner and open bars throughout the Museum's three floors
- Legacy Circle induction ceremony
- Full-length performance by Jay Leno
- Silent and live auctions of extraordinary items
- Dessert and coffee afterglow

COCKTAIL ATTIRE

Details and tickets - \$500 per person - available at www.wpchryslermuseum.org or 800-987-9807.

The Walter P. Chrysler Museum Foundation is a nonprofit 501 (c)(3) public charity and operates independently of Chrysler Group LLC. All donations are tax-deductible.

Special Request:

Needed: A volunteer with PowerPoint experience to help out with the breakfast meeting presentations. Your involvement entails a four times per year commitment.

Your NCRO (Volunteer) Team

(Remember no one in the NCRO gets paid for his or her efforts. All funds go towards expenses designed to secure your future benefits and pensions so come on down and help us!)

Chuck Austin, Chris Dyrda, Vicki Bonus, Jay Kuhnie, Mike Cipponeri, Rick Golpe, Roy Sjoberg, Jerry Koenigbauer, Mike Kane, Mike Aberlich, Deb Morrissett, John Glotzbach, John Argeropoulos, Stan Hurst, Dana Oliver, Brian Haw, Johnnie Johnson, Grainger Goodman, Dave Slates and Pete Piccinato.

Have a great 4th of July!

Sincerely,

A handwritten signature in cursive script that reads "Chuck Austin".

Chuck Austin

President

National Chrysler Retirement Organization

Chrysler Museum Cruise Nights

The 2010 Museum Cruise Nights dates are Wednesdays -- July 7 and August 4 and 18. Mark your calendars and bring your classic Chrysler vehicles and strut your stuff!!

2010 Legislative Agenda Summary:

(Developed in conjunction with the NRLN - To be updated to reflect the new healthcare act later this year)

PENSION ASSET PROTECTION (PAP): NCRO advocates legislation that stops corporations from taking pension assets from defined pension plan trusts to pay for lump sum severance and early retirement incentives. Pension funds not be used to pay executive non-qualified pensions and other deferred compensation. Pension plan assets should not be transferred to or be taken over by third party financial or other institutions.

PBGC REFORM: The Pension Benefits Guaranty Corporation must be regulated to ensure equitable calculations of benefit payments earned by retirees.

BANKRUPTCY REFORM: The NRLN advocates that bankruptcy reform is needed to place retirees' pensions and benefits on the list of obligations that companies can't shed. Retirees often lose pension, health care, and other benefits and, unlike secured creditors, rarely have the ability to recover losses.

PROTECTION AND ENHANCEMENT OF RETIREE HEALTH CARE BENEFITS: MAINTENANCE OF COST PAYMENT:

A "Maintenance of Cost" Payment (MCP) proposal would establish a fixed monthly payment to retirees equivalent to the value an employer provided prior to the reduction or cancellation of retirement health care, prescription drugs, life insurance, long-term care or other benefits. Companies would be entitled to tax credits as an offset to MCP payments.

MEDICARE BUY-IN FOR AGES 55-64: Retirees forced into retirement at age 55 to 64 should be allowed to buy Medicare coverage at a cost that does not burden the Medicare system. Access could be limited to individuals without access to an employer-sponsored or other group health plan that is actuarially equivalent or superior to Medicare.

INCLUSION OF CATASTROPHIC COVERAGE IN MEDICARE: Congress should extend protection against catastrophic medical costs to the Medicare population by setting a reasonable maximum limit on out-of-pocket costs.

PROTECT RETIREES IN MERGERS & ACQUISITIONS: Law that clarifies what a parent foreign owner's pension plan obligations are to abide by ERISA should its U.S. subsidiary be spun off or dissolved. Clarification must include situations where foreign corporations that own U.S. subsidiaries are also acquired by a third party, foreign-owned corporation.

REDUCE THE COST OF PRESCRIPTION DRUGS: The reduction of prescription drug costs for Americans through passage of legislation that: (1) Enables re-importation and importation of safe prescription drugs approved by the FDA; (2) Enables Medicare to develop formularies and take competitive bids for prescription drugs; (3) Staffs and funds the FDA to reduce the generic drug approval backlog; (4) Prevents drug companies from colluding to control pricing or subvert free market practices.

PROTECT MEDICARE: Congress must guard against reductions in Medicare expenditures that negatively impact the care that retirees receive from doctors, hospitals and other health care services.

PROTECT SOCIAL SECURITY: Legislation to make Social Security financially sound without reducing current and future retiree benefits.