

PENSION BENEFIT SECURITY

THE BEST SECURITY IS A HEALTHY, PROFITABLE FCA/CHRYSLER (CHRYSLER) BECAUSE RETIREES WOULD CONTINUE TO RECEIVE THEIR FULL PENSION BENEFITS.

IN THE EVENT OF A CHRYSLER BANKRUPTCY, CHRYSLER'S PENSION PLANS WILL LIKELY BE TAKEN OVER BY THE PENSION BENEFIT GUARANTY CORPORATION (PBGC). THE PBGC WILL DETERMINE HOW MUCH OF THE RETIREE'S BENEFIT WILL CONTINUE TO BE PAID BASED ON THE PBGC'S CALCULATION OF THE FUNDED STATUS OF THE PLAN (NOT THE PLAN CALCULATED FUNDED STATUS) AND THE MAXIMUM PBGC GUARANTY AMOUNT APPLICABLE TO THE RETIREE.

THE FIRST STEP THE PBGC TAKES IS TO CATEGORIZE THE PLAN'S ACCRUED BENEFITS AS FOLLOWS:

CATEGORIES 1& 2- BENEFITS PURCHASED WITH EMPLOYEE CONTRIBUTIONS (GENERALLY MINIMAL).

CATEGORY 3- BENEFITS IN PAY STATUS (OR ELIGIBLE FOR PAY STATUS) THREE YEARS PRIOR TO PLAN TERMINATION DATE.

CATEGORY 4- OTHER BASIC BENEFITS THAT DO NOT EXCEED THE PBGC MAXIMUM GUARANTY AMOUNT.

CATEGORY 5- OTHER NONFORFEITABLE BENEFITS.

CATEGORY 6- FORFEITABLE BENEFITS.

THE SECOND STEP IN THE PBGC PROCESS IS TO ALLOCATE THE MARKET VALUE OF THE PLAN ASSETS ON THE PLAN TERMINATION DATE FIRST TO CATEGORY 1 THEN TO CATEGORY 2, ETC. IF THE BENEFITS IN A CATEGORY ARE FULLY FUNDED, THE BENEFITS IN THE CATEGORY ARE PAYABLE IN FULL. IF THE BENEFITS IN A CATEGORY ARE PARTIALLY FUNDED, THE BENEFITS ARE PAYABLE PROPORTIONALLY BASED ON THE CATEGORY'S FUNDED PERCENTAGE.

THE THIRD STEP IN THE PBGC PROCESS IS TO DETERMINE IF ANY OF THE NON-FUNDED BENEFITS ARE COVERED BY THE PBGC GUARANTY BASED ON THE AGE RELATED MAXIMUM GUARANTY TABLE FOR THE YEAR OF PLAN TERMINATION OR THE YEAR OF BANKRUPTCY, IF EARLIER.

PBGC MAXIMUM GUARANTY FOR PLAN TERMINATION OR COMPANY

BANKRUPTCY DATE IN 2024-AMOUNT BASED ON RETIREE'S AGE ON DATE OF SUCH PLAN TERMINATION OR BANKRUPTCY DATE (WHICHEVER OCCURS FIRST)

AMOUNT ALSO BASED ON FORM OF RETIREE'S BENEFIT

AGE	SINGLE LIFE ANNUITY		JOINT ANNUITY WITH 50% TO SURVIVOR *	
	MONTHLY	ANNUAL	MONTHLY	ANNUAL
75	\$21,608	\$259,298	\$19,477	\$233,728
74	19,646	235,756	17,682	212,181
73	17,685	212,215	15,916	190,993
72	15,723	188,673	14,151	169,807
71	13,961	167,532	12,385	148,619
70	11,799	141,590	10,619	127,431
69	10,591	127,090	9,532	114,381
68	9,525	114,296	8,572	102,866
67	8,601	103,207	7,741	92,887
66	7,819	93,825	7,037	84,443
65	7,108	85,295	6,397	76,769
64	6,610	79,325	5,945	71,344
63	6,113	73,354	5,502	66,019
62	5,615	67,383	5,054	60,645
61	5,118	61,413	4,606	55,271
60	4,620	55,442	4,158	49,898
59	4,336	52,030	3,902	46,827
58	4,052	48,618	3,646	43,757
57	3,767	45,207	3,390	40,686
56	3,483	41,795	3,135	37,615
55	3,199	38,383	2,879	34,545

*Since the Chrysler plan's spouse option benefits are more valuable, the PBGC guaranty would be lower

EXAMPLE 1

ASSUMPTIONS:

RETIREE IS AGE 65 WITH \$80,00 OF JOINT & SURVOR BENEFITS, ALL IN CATEGORY 3 WHICH IS 75% FUNDED. MAXIMUM PBGC GY IS \$76,769.

RESULT- THE FUNDED BENEFIT IS \$60,000 (75% X \$80,000) WHICH IS LESS THAN THE RETIREE'S MAXIMUM PBGC BENEFIT OF \$76,769 THE RETIREE RECEIVES A BENEFIT OF \$76,769 (GREATER OF \$60,000 AND \$76,769).

EXAMPLE 2

ASSUMPTIONS:

RETIREE IS AGE 70 WITH \$80,000 OF JOINT & SURVOR BENEFITS, ALL IN CATEGORY 3 WHICH IS 75% FUNDED. MAXIMUM PBGC GUARANTY IS \$127,431.

RESULT- THE FUNDED BENEFIT IS \$60,000 (75% X \$80,000) WHICH IS LESS THAN THE RETIREE'S MAXIMUM PBGC BENEFIT OF \$127,431, BUT THE RETIREE'S ACCRUED BENEFIT IS LESS THAN THE PBGC GUARANTY AMOUNT. THEREFORE THE RETIREE RECEIVES A BENEFIT OF \$80,000 (GREATER OF \$80,000 AND \$127,431, LIMITED BY HIS ACCRUED BENEFIT OF \$80,000).

DETERIORATION OF SALARIED PENSION PLANS' FUNDED STATUS

(BASED ON PLAN ANNUAL REPORT- NOT ON TERMINATION BASIS)

YEAR	DISCOUNT RATE	PENSION PLAN	PERCENT FUNDED	
			SERP	ESERP
2007	6.25%	111%	132%	137%
2008	6.25%	88%	101%	100%
2009	5.50%	84%	96%	98%
2010	5.40%	83%	96%	99%
2011	5.00%	77%	92%	94%
2012	4.00%	69%	84%	87%
2013	4.70%	76%	89%	93%
2014*	4.00%	76%	93%	93%
2015*	4.50%	83%	N/A	N/A
2016*	4.40%	84%	N/A	N/A
2017*	3.80%	86%	N/A	N/A
2018*	4.40%	77%	N/A	N/A
2019*	3.30%	78%	N/A	N/A
2020*	2.90%	78%	N/A	N/A
2021	2.86%	85%	N/A	N/A
2022	5.40%	86%	N/A	N/A

* AS OF 12/31/2014 THE SERPs WERE MERGED INTO THE PENSION PLAN WITH A FUNDED % OF 85.7%

MINIMUM FUNDING CREDIT BALANCE*

(MAY BE USED TO REDUCE FUTURE FUNDING REQUIREMENTS)

	\$ MILLIONS		
1/1/2008	\$1,088.2	\$419.8	\$312.6
1/1/2009	814.3	347.0	251.6
1/1/2010	895.7	363.6	276.9
1/1/2011	156.4	382.3	302.0
1/1/2012	74.6	308.2	309.6
1/1/2013	32.3	241.1	327.3
1/1/2014	37.1	**	**
1/1/2015	654.7	N/A	N/A
1/1/2016	624.2	N/A	N/A
1/1/2017	651.1	N/A	N/A
1/1/2018	705.1	N/A	N/A
1/1/2019	583.9	N/A	N/A

*ASSETS RESULTING FROM PRIOR COMPANY CONTRIBUTIONS IN EXCESS OF MINIMUM FUNDING REQUIREMENTS

** AS OF 12/31/2014 THE SERPs WERE MERGED INTO THE PENSION PLAN .
1/1/2014 SERPs' CREDIT BALANCES NOT PROVIDED BY CHRYSLER

COMPANY CONTRIBUTIONS

	\$ MILLIONS		
2008	\$0.0	\$0.0	\$0.0
2009	23.6	0.0	0.0
2010	0.0	0.0	0.0
2011	4.1	0.0	0.0
2012	2.2	0.0	0.0
2013	1.5	125.0	0.0

2014	25.5	0.0	0.0
2015	5.1	**	**
2016	0.0	**	**
2017	300.0	**	**
2018	0.0	**	**
2019	0.0	**	**
2020	0.0	**	**
2021	0.0	**	**
2022	0.0	**	**

**** AS OF 12/31/2014 THE SERPs WERE MERGED INTO THE PENSION PLAN .**

NOTE: ABOVE INFORMATION IS THE LATEST AVAILABLE IN THE PLANS' PUBLISHED REPORTS.

3/7/2024