

# FONDO PENSIONE QUADRI E CAPI FIAT (FIAT QUADRI & CAPI PENSION PLAN)

## FACTFILE (revised 28/03/2011)

The following Factfile forms an integral part of the Plan Information Document and it has been prepared to facilitate comparison between the principal features of the FIAT QUADRI & CAPI PENSION PLAN and other supplementary pension schemes. Before joining the Plan, prospective members should be fully aware of all terms and conditions and, as such, it is recommended that they carefully read the Plan Information Document and the Plan Rules.

### The FIAT QUADRI & CAPI PENSION PLAN

#### Introduction

The FIAT QUADRI & CAPI PENSION PLAN ("the Plan") - a supplementary defined contribution pension plan for individuals qualifying as Professional, also called *Quadro* or *Capo*, who are employed by Fiat S.p.A, Fiat Industrial S.p.A. or other company referred to in the Plan Rules. The Plan provides benefits that are supplementary to the mandatory national pension system, as defined under Legislative Decree 252 of 5 December 2005.

The FIAT QUADRI & CAPI PENSION PLAN is listed as no. 3 in the Register of Pension Plans maintained by COVIP (the Italian pension regulator) and was established in accordance with the Company Agreement of 1 December 1997 signed by Fiat S.p.A., on its own behalf and on behalf of other Group companies. That agreement was amended by the Company Agreement of 25 November 2010 signed by Fiat S.p.A., on its own behalf and on behalf of Fiat Industrial S.p.A. and other Group companies participating in the Plan, and by the Associazione Quadri & Capi Fiat. On the basis of those Agreements, Fiat S.p.A., Fiat Industrial S.p.A. and the Associazione Quadri & Capi Fiat are considered the "founding institutions".

#### Beneficiaries

Beneficiaries of the Plan are:

1. Individuals having the contractual level of Professional, who are employed by Fiat S.p.A. or Fiat Industrial S.p.A., in addition to companies which they control as defined under Article 2359 of the Italian Civil Code (i.e., subsidiary companies) and companies in which they hold, directly or indirectly, a 50% equity interest and exercise management control. Requests to participate in the Plan are approved by the Plan's Board of Directors, subject to the plan requirements being met.
2. Individuals qualifying as Professional, also called *Quadro* or *Capo* (as defined by law and collective or company contract), as well as employees of a similar level, including Professional and Professional Expert (hereinafter all collectively referred to as "Professionals") who are employees of the companies specified in point 1 above and have either enrolled voluntarily in the Plan or implicitly consented to the transfer of their *Trattamento di Fine Rapporto* (employee leaving entitlement in Italy, hereinafter "TFR") to the Plan.
3. Companies (and Professional employees of those companies) in which Fiat S.p.A. or Fiat Industrial S.p.A. hold, directly or indirectly, a minimum non-controlling interest as defined under Article 2359 of the Italian Civil Code (i.e., associate companies) qualify to remain in the Plan. Companies (and Professional employees of those companies) in which Fiat S.p.A. or Fiat Industrial S.p.A. no longer maintain the minimum equity interest specified in Article 2359 of the Italian Civil Code also qualify to remain in the Plan. However, participation is limited to Professionals who are

already enrolled in the Plan at the time Fiat S.p.A. or Fiat Industrial S.p.A. cease to hold an interest in that company or reduce it below the threshold specified in Article 2359.

In addition to the qualifying Companies and Professionals specified in point 1 above, companies that acquire - pursuant to Article 2112 of the Italian Civil Code - companies or activities from companies that have membership status at the time of that acquisition are also eligible for membership in the Plan, subject to formal agreement with the Associazione Quadri & Capi Fiat and for the sole purpose of allowing Professionals who are already members of the Plan to maintain their membership status.

Individuals who exercise the right to suspend contributions as provided for in the Plan Rules maintain membership status.

Individuals who, at the time of retirement, have made at least one year of contributions to the Plan and elect to continue making voluntary contributions maintain membership status until such time as they give notification of their intention to begin receiving pension benefits.

Professionals receiving pension benefits in the form of an annuity also maintain membership status.

Individuals who have implicitly consented to the transfer of their TFR as established by law are considered Plan members.

Dependents of Plan beneficiaries are also considered members and may retain that status even if the individual upon whom they are dependent ceases to satisfy the membership requirements.

## Organization, legal form and plan type

The FIAT QUADRI & CAPI PENSION PLAN is a company-sponsored pension plan (*Fondo Pensione Negoziale*) legally recognized as an association and operating as a defined contribution plan (benefits are based on the amount of contributions and the return on those contributions).

## Participation in supplementary pension schemes

Participation in the Plan is available to all Professionals (Quadri and Capi) and is strictly voluntary. Supplementary pension plans, which are regulated by Legislative Decree 252 of 5 December 2005, provide special tax treatment for contributions made, returns realized and benefits received.

## Available documentation

The Plan Information Document, Plan Rules and a standard illustration of benefits are freely available in Italian on the Plan website, at the Plan's administrative office and from your employer.

Also available from those sources are documents on tax treatment, advances, plan returns and other general information and members can request that documents be mailed to them directly.

**N.B.** The principal rules governing how the Plan operates as well as the relationship between the Plan and members are contained in the Plan Rules, which we recommend that you read thoroughly.

## Contact information

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## Contribution

	% of TFR	Supplementary Contribution <sup>1</sup>		Effective date and frequency
		Employee <sup>2</sup>	Employer	
Employees hired after 28.4.1993	100%	1.5%	1.5%	From 1.1.09
Employees hired before 28.4.1993	50% <sup>3, 4</sup>	1.5%	1.5%	Contributions are paid in on a monthly basis from the 1 <sup>st</sup> month after enrollment

(1) As a percentage of compensation used for calculation of TFR.  
 (2) Minimum required for contribution from employer. At the option of the employee, a higher amount can be set (e.g., 2%, 3%, 4%, 5%).  
 (3) The employee can allocate up to 100% of the annual TFR contribution.  
 (4) Employees hired prior to 28/4/1993 and already participating in the Plan on 31/12/2006 may continue with the existing allocation of TFR (i.e., 50% of annual TFR contribution) or an amount linked to the rate of the supplementary contribution, as follows:  
 1.5% from 1/1/2009, equal to 21.7% of annual TFR contribution  
 2%, equal to 28.9% of annual TFR contribution  
 3%, equal to 43.4% of annual TFR contribution  
 3.46%, equal to 50% of annual TFR contribution  
 4%, equal to 57.9% of annual TFR contribution  
 5%, equal to 72.3% of annual TFR contribution  
 The allocation of TFR may also be up to 100% (see Note 3) irrespective of the supplementary contribution rate.

The contribution level is elected by the member when joining the plan and may be changed.  
 Additional voluntary contributions can be made at any time.  
 Where TFR has been transferred to the Plan due to implicit consent, 100% of the annual TFR contribution is paid in.  
 Members can also make contributions on behalf of dependents who are enrolled in the Plan.

Investment options		
Compartment	Description	Guarantee
Guaranteed Compartment	<p><b>Objective:</b> capital and return are guaranteed. If the actual financial return is higher, members will receive the additional return</p> <p><b>Investment horizon:</b> short-term</p> <p><b>Risk level:</b> low</p> <p><b>Characteristic of the Guarantee:</b> the amount on which benefits are calculated cannot be lower than the total value of cash placed under management, for the individual account, net of any advances and expenses pursuant to Legislative Decree 252/05 plus a compound annual return of 2.50% at the time one of the following conditions is met:</p> <ul style="list-style-type: none"> <li>a) exercise of the right to receive pension benefits pursuant to Article 11 (2) &amp; (3) of the Decree</li> <li>b) death</li> <li>c) disability reducing ability to work to less than a third</li> <li>d) unemployment exceeding 48 months</li> <li>e) withdrawal resulting from loss of requirements for participation in the Plan after minimum of one year subscription to compartment</li> <li>f) advances allowable by law after minimum of one year subscription to compartment</li> <li>g) change of investment compartment after minimum of one year subscription to compartment</li> </ul>	yes
Balanced bond compartment	<p><b>Objective:</b> capital growth through investment in combination of medium-risk financial instruments</p> <p><b>Investment horizon:</b> medium-term</p> <p><b>Risk level:</b> medium</p>	no
Balanced equity compartment	<p><b>Objective:</b> capital growth through investment in a combination of financial instruments with a more aggressive risk profile</p> <p><b>Investment horizon:</b> medium to long-term</p> <p><b>Risk level:</b> medium to high</p>	no
NOTE: TFR amounts transferred as a result of implicit consent are allocated to the Guaranteed compartment		

Historic returns						
	Historic returns (%)					compound average annual return (%)
	2006	2007	2008	2009	2010	
Guaranteed	...	n.a.	-1.396%	6.615%	0.706%	<b>1.919%</b>
Balanced bond	2.492%	2.499%	-6.377%	10.151	3.659%	<b>2.347%</b>
Balanced equity	3.173%	0.680%	-17.87%	12.450%	3.441%	<b>-0.154%</b>
NOTE: Past returns are not necessarily indicative of future performance						

Costs applicable in accumulation phase	
Category	Conditions and amount
Subscription fee	<ul style="list-style-type: none"> <li>- €5.16 payable by the employee and €5.16 by the company up front upon subscription</li> <li>- No fee is due for subscription/enrollment of dependent family members<sup>1</sup>.</li> </ul>
<b>Costs payable in accumulation phase:</b>	
Payable directly by the subscriber	<ul style="list-style-type: none"> <li>- 1% of amount contributed (employer contribution, employee contribution and TFR). Amount is deducted monthly</li> <li>- 1% of additional voluntary contributions made to individual account of member</li> <li>- 1% of contributions made to individual account of dependent</li> <li>- a fixed amount of €16.00 p.a. to be deducted directly from the individual account of members who did not make contributions to the Plan during the previous calendar year.</li> </ul>
Payable indirectly by the subscriber:	
- <i>guaranteed compartment</i>	0.3754% p.a. on assets managed, of which: <ul style="list-style-type: none"> <li>- 0.095% for financial management</li> <li>- 0.255% for guarantees</li> <li>- 0.0254% for depositary bank</li> </ul>
- <i>balanced bond compartment</i>	0.1454% p.a. on assets managed, of which: <ul style="list-style-type: none"> <li>- 0.120%<sup>2</sup> for financial management</li> <li>- 0.0254% for depositary bank</li> </ul> Variable performance fees are also payable, ranging from a minimum of 15% of the excess return to a maximum of 20% (variable component of financial management fee payable only when certain performance targets are achieved)
- <i>balanced equity compartment</i>	0.2254% p.a. on assets managed, of which: <ul style="list-style-type: none"> <li>- 0.20% for financial management</li> <li>- 0.0254% for depositary bank</li> </ul> Variable performance fees are also payable, up to a maximum of 20% of the excess return (variable component of financial management fee payable only when certain performance targets are achieved)
(1) Dependent family members include: children (including natural, step, adopted and foster), estranged spouses, in addition (only if living with the subscriber or receiving support not ordered by a court) to parents (including adopted), second degree ascendants or descendants, sons-in-law and daughters-in-law, separated spouses, parents-in-law, foster parents, and brothers and sisters whose income does not exceed that indicated in Article 12 of the Italian income tax code ( <i>Testo Unico delle Imposte sui Redditi</i> or <i>TUIR</i> ), as subsequently amended.	
(2) Average financial management fee for compartment based on annual return on assets	
<b>Cost associated with exercise of individual options (deducted from individual account at the time of execution)</b>	
Advance	€25.00
Transfer	No cost
Withdrawal	No cost
Reallocation of individual account	No cost
Reallocation of future contributions	No cost

**NOTE:** Annual fees charged to subscribers during the accumulation phase can only be determined once total Plan costs have been calculated. Therefore, the amounts provided in the following table are estimates intended as indicative only of the actual cost of participation. Any difference (either positive or negative) between the actual costs incurred by the Plan and amounts deducted at the beginning of the period to cover those costs is shared by all members. For additional information, see 'Characteristics of supplementary pension plans'.

<b>Indicative annual cost</b>				
<b>Compartment</b>	<b>Years</b>			
	<b>2</b>	<b>5</b>	<b>10</b>	<b>35</b>
<b>Guaranteed compartment</b>	<b>1.02%</b>	<b>0.66%</b>	<b>0.51%</b>	<b>0.39%</b>
<b>Balanced bond compartment</b>	<b>0.81%</b>	<b>0.45%</b>	<b>0.30%</b>	<b>0.19%</b>
<b>Balanced equity compartment</b>	<b>0.89%</b>	<b>0.53%</b>	<b>0.37%</b>	<b>0.25%</b>

The indicative annual cost is expressed as a percentage of the amount accumulated by a regular member making an annual contribution of €2,500 with an assumed annual return of 4% (see Plan Information Document, 'Characteristics of supplementary pension plans').

**NOTE:** The example provided is for illustrative purposes only. Actual conditions and returns may vary from the assumptions used in this example.