

Motions for AGM

1) Motion for Approval of the Statutory Financial Statements and Allocation of 2012 Net Result

Shareholders,

We hereby submit for your approval the Statutory Financial Statements for the year ended 31 December 2012, which report a net loss of €152,349,998. We propose that the loss be allocated to the Retained Profit reserve, bringing the value of the reserve to €1,758,623,155.

20 February 2013

On behalf of the Board of Directors

/s/ John Elkann

John Elkann

CHAIRMAN

2) Compensation and Own Shares

a) Compensation Policy pursuant to Article 123-ter of Legislative Decree 58/98

Shareholders,

Pursuant to Article 123-ter of Legislative Decree 58/98, you are hereby asked to give your non-binding vote on the compensation policy adopted by the Company for members of the Board of Directors and executives with strategic responsibilities, in addition to the procedures for adoption and implementation.

Following are the Definitions and Section I of the Compensation Report – prepared in accordance with Annex 3A, Forms 7-bis and 7-ter, Consob Regulation 11971 of 14 May 1999 – that was published in accordance with legal requirements and is available on the corporate website www.fiatspa.com.

“Definitions

Annual Total Direct Compensation	means the sum of: (i) the gross annual fixed component of the compensation, (ii) the annual variable component that is based on the achievement of given target objectives, (iii) the annualized value of the medium-long term element of the variable component that is based on the achievement of medium-long term target-based objectives and/or long term commitment to the Company, including the granting of shares occurred during the year upon satisfaction of the vesting conditions of an equity incentive plan
Board of Directors	means the board of directors of the Company
Board of Statutory Auditors	means the board of statutory auditors of the Company
CEO	means the Chief Executive Officer of the Company, namely Mr. Sergio Marchionne
Chief Human Resources Officer	means the Chief Human Resources Officer of the Group
Company	means Fiat S.p.A.
Compensation Committee	means the Compensation Committee, entirely composed of independent directors, namely, as of the date of this Compensation Report: Mr. René Carron (as Chairman), Mr. Gian Maria Gros-Pietro and Ms. Patience Wheatcroft
Compensation Policy	means the compensation policy described in Section 1 of this Compensation Report
Compensation Report	means this compensation report prepared in accordance with article 123-ter of the Financial Act and Annex 3A, Forms 7-bis and 7-ter, of the Issuers' Regulation
Corporate Governance Code	means the Corporate Governance Code for Italian Listed Companies issued by Borsa Italiana, to which the Company adheres
EU Recommendations	means the EU Recommendation 2004/913 and EU Recommendation 2009/385
Executive Directors	means the directors granted by the Board of Directors with a special office and duties and namely Mr. John Elkann and Mr. Sergio Marchionne
Executives with Strategic Responsibilities	means the members of the Group Executive Council and other key corporate executives reporting to the CEO
Financial Act	means the Legislative Decree no. 58 of February 24, 1998

Group	means the Company together with its subsidiaries
Group Executive Council	means the decision-making body which supports the CEO of the Company. The Group Executive Council is responsible for reviewing the operating performance of the businesses, setting performance targets, making key strategic and investment decisions for the Group and sharing best practice, including the development and deployment of managerial resources
Issuers' Regulation	means the CONSOB Regulation no. 11971 of May 14, 1999
LTI	means the LTI Plan based on equity instruments approved by the shareholders' meeting of the Company on April 4, 2012 and described in the Report to the shareholders issued by the Company pursuant to Article 114- <i>bis</i> of the Financial Act
Performance and Leadership Bonus Plan	means the Group's annual short term incentive plan that is linked to both the achievement of key financial metrics of operating performance of the Group and individual performance and leadership contribution
Related Parties Regulation	means the CONSOB Regulation no. 17221 of March 10, 2010

Section I

Section 1 of this Compensation Report is aimed to outline and describe: (i) the policy of the Company with respect to the compensation of members of the Board of Directors, members of the Board of Statutory Auditors and Executives with Strategic Responsibilities and (ii) the procedures followed in relation to the adoption and implementation of said policy (the "**Compensation Policy**").

The Compensation Policy conforms to the recommendations of the Corporate Governance Code. In particular, the Compensation Policy incorporates the recommendations contained in Article 6 of the Corporate Governance Code relating to compensation for members of the Board of Directors and Executives with Strategic Responsibilities.

The Compensation Policy also fulfils the requirements of the Procedures for Transactions with Related Parties adopted by the Group on November 17, 2010.

In accordance with the Corporate Governance Code, article 123-*ter* of the Financial Act and EU Recommendations, this Compensation Policy, which illustrates the policies and practices followed by the Company, was prepared for and approved for the first time by the Board of Directors in February 2012 and then approved by the shareholders' meeting of the Company. On February 20, 2013 the Board of Directors, with the concurring advice of the Compensation Committee, approved this Policy, which will be submitted for approval to the shareholders' meeting called to resolve also on the 2012 financial statements.

A. Drafting, approval and implementation of the Compensation Policy

This Compensation Policy, to be submitted to the approval of the shareholders' meeting called to approve the 2012 financial statements, was adopted by the Board of Directors on February 20, 2013.

In addition to the Board of Directors, also the following corporate bodies and persons were involved in the drafting and approval of this Compensation Policy: the Compensation Committee, that on February 22, 2012 prepared and approved the guidelines and principles of this Compensation Policy to be submitted to the Board of Directors. In the meeting held on 19 February, 2013, the Compensation Committee was advised by the Chief Human Resources Officer that the Compensation Policy had been followed by the Company in its dealings with the Executive Directors and the Executives with Strategic Responsibilities.

The corporate bodies and persons responsible for the correct implementation of the Compensation Policy are the Compensation Committee, that shall monitor the application of the Compensation Policy with regard to Executive Directors and Executives with Strategic Responsibilities, having being advised by the Chief Human Resources Officer. On a yearly basis the Chief Human Resources Officer reports to the Compensation Committee and advises such Committee on the implementation of the Compensation Policy in the previous financial year and the proposed changes for the upcoming financial year.

The table below summarizes the main roles and responsibilities for setting and governing compensation for participants covered under the Company's Compensation Policy:

Participants covered	Who proposes / recommends	Who advises	Who approves	Shareholders' advisory voting rights ("Say on Pay")
Non - Executive Directors	Compensation Committee	Chief Human Resources Officer	Shareholders	Not applicable
Executive Directors	Compensation Committee	Chief Human Resources Officer Compensation Committee	Directors, absent the Executive Directors	Yes
Executives with Strategic Responsibilities	Chief Human Resources Officer	Internal and external Executive Compensation experts	CEO	Yes

B. Role of the Compensation Committee

B.1 Composition of the Compensation Committee

In 1999, the Board of Directors established the Nominating and Compensation Committee. The roles and requirements of such committee are constantly updated to reflect current best practice in corporate governance. On 24 July 2007, as part of the continuous review of the system of corporate governance and to better align itself with best international practice as well as the recommendations of the Corporate Governance Code, the Board passed a resolution to split the Nominating and Compensation Committee into the Compensation Committee and the Nominating and Corporate Governance Committee. In implementation of the most recent recommendations of the Corporate Governance Code, on 22 February 2012 the Board of Directors approved a revised charter of the Compensation Committee, which better details its activities.

The Chief Human Resources Officer attends the Compensation Committee's meetings; the chairman may invite other individuals to attend the meetings whenever their presence may help the Compensation Committee to perform its functions. The Compensation Committee may rely on the support of external advisors at the Company's expense.

As of the date of this Compensation Policy, the members of the Compensation Committee are: Mr. René Carron (as Chairman), Mr. Gian Maria Gros-Pietro and Ms. Patience Wheatcroft, all Non-Executive Directors and independent pursuant to article 148 of the Financial Act and article 3 of the Corporate Governance Code. All the members of the Compensation Committee have an adequate knowledge and experience in compensation and financial matters.

The Charter of the Compensation Committee is available on the Company's website: www.fiatspa.com.

B.2 Role of the Compensation Committee

On the basis of this Charter, as amended on February 22, 2012, the Compensation Committee is entrusted with the following duties:

- presenting proposals to the Board in relation to compensation policies for directors and executives with strategic responsibilities;
- presenting proposals to the Board in relation to individual compensation plans for the Chairman, Chief Executive Officer and other directors with specific responsibilities, as well as in relation to the establishment of performance targets for their variable compensation and, on an annual basis, verifying the level of achievement;
- examining proposals from the Chief Executive Officer concerning compensation and performance evaluations for executives with strategic responsibilities;
- periodically evaluating the adequacy, overall coherence and concrete application of compensation policies for directors and, on the basis of information provided by the Chief Executive Officer, for executives with strategic responsibilities;
- carrying out the functions of the committee for transactions with related parties, where related to compensation;
- examining specific issues relating to compensation when requested by the Board and providing recommendations.

With the adoption of the Procedures for Transactions with Related Parties – pursuant to the Related Parties Regulation – the Compensation Committee was assigned, exclusively with regard to matters related to compensation, responsibility for transactions with related parties. Accordingly, the Compensation Committee is required to give an opinion on the substantial and procedural fairness of compensation-related transactions with related parties that are of particular significance, as defined in those procedures.

B.3 Activities carried out by the Compensation Committee in relation to the Compensation Policy

As anticipated under Paragraph (A) above, the guidelines and principles of the Compensation Policy were prepared and approved for the first time by the Compensation Committee on February 22, 2012.

In the first months of 2012, the Compensation Committee met twice to perform the preliminary activities necessary to submit to the Board of Directors the proposal of an equity incentive plan (LTI).

During 2012, the Committee was advised by the Company's management on a benchmark analysis, carried out on a European basis and taking into particular consideration the forty most traded companies on the Milan Stock Exchange (which compose the so called FTSE-MIB Index), on the compensation of non- executive directors. On the basis also of this benchmark analysis, and with the aim to align the compensation of non-Executive Directors holding special offices on the average of the sample examined, the Board of Directors, based on the Compensation Committee proposal, approved to grant, pursuant to Article 2389 of the Italian Civil Code, a fixed compensation to the Directors who are also members of the Committees established by the Board (see also paragraph D3).

In accordance with the Procedures for Transactions with Related Parties, the Committee held a session on February 19, 2013 to examine the proposal of variable compensation of the CEO for 2012, proposing also the confirmation of fixed remuneration as determined in 2011.

On February 19, 2013 the Compensation Committee reviewed and recommended for approval to the Board of Directors this Compensation Report.

C. Role of the independent expert (if any)

No independent expert was involved in the drafting of this Compensation Policy.

D. Objectives and Principles of the Compensation Policy

D.1 Objectives

The objective of the Compensation Policy is to ensure that the Group is adequately competitive, in each of the business sectors and geographic areas in which it operates, to be able to attract, develop and retain highly qualified executives with strong leadership through periodically established targets that are based on objective as well as generally applicable criteria.

In addition, the Compensation Policy seeks to incentivize individuals in key positions toward the achievement of Company and Group performance targets, maintaining the interests of management continuously aligned to those of shareholders.

D.2 Principles

The principles and criteria applied in setting compensation for executive members of the Board of Directors, and Executives with Strategic Responsibilities are intended to ensure the Group has the ability to attract, retain and motivate individuals who have the professional skills and experience to achieve the best results in their respective areas of responsibility and take account of the impact of their role on the achievement of the Group's financial and strategic objectives. With that intent, the Compensation Policy is defined to align the interests of the Company's management with those of the Company's shareholders through the creation of a strong link between rewards and Company or individual performance.

In general, the fixed compensation component adequately compensates individuals for services performed even if the variable components, where established, are not received as a result of the performance targets set by the Board of Directors not being met. This is considered fundamental in discouraging behaviour that is oriented exclusively to short-term results and inconsistent with the target level of risk established by the Group.

Executive Directors and Executives with Strategic Responsibilities may also be eligible to receive variable compensation, either immediate or deferred, subject to the achievement of pre-established economic and financial performance targets.

In particular, variable compensation that is paid immediately is intended to incentivize individuals toward the achievement of the targets established in the annual budget and to reward the level of achievement or over-achievement of those targets.

Where used, deferred components of variable compensation, which are share-based, are designed to incentivize achievement of the targets referred to above, through an annual vesting mechanism, as well as enhancing medium to long-term retention and alignment with shareholder interests, objectives typical of such instruments.

D.3 Changes to the previous Compensation Policy

The compensation policy described in this Report does not materially modify the practices applied in 2011, with the exception of the LTI Plan and of the criteria for the determination of the fixed compensation of the non-Executive Directors.

In particular:

- The LTI Plan was approved by the shareholders meeting on April 4, 2012
- Since the shareholders meeting held on April 4, 2012, the fixed compensation of non-Executive Directors not holding particular offices has been determined in euro 50,000 (whereas, before such shareholders meeting resolution, in addition to such fixed compensation directors benefitted of a meeting fee for each Board or Committee session).

As mentioned above, in 2012 the Board of Directors, pursuant to Article 2389 third paragraph of the Italian Civil Code, resolved to grant to the non-Executive Directors who are also members of the Committees established by the Board the following annual fixed compensation:

- Chair of the Internal Control and Risk Committee: euro 30,000
- Members of Internal Control and Risk Committee: euro 20,000
- Chair of the other Committees: euro 20,000
- Members of the other Committees: euro 15,000.

With reference to the said resolution of the Board of Directors, the Compensation Committee conducted the preliminary advisory activities mentioned in paragraph B3 above.

E. Fixed and variable Components of the Compensation

E.1 Members of the Board of Directors

With reference to the policies relating to fixed and variable components of the compensation, the Company distinguishes between Executive and non-Executive Directors.

With regard to non-Executive Directors with no specific additional responsibilities (including independent directors), the compensation consists of a fixed fee set by shareholders. Non-Executive Directors holding particular offices receive also the additional compensation referred to in the previous paragraph D3. In addition, non-Executive Directors are also refunded for expenses incurred in for the exercise of their office.

In accordance with EU Recommendations and article 6 of the Corporate Governance Code, non-Executive Directors are not eligible for any form of compensation tied to the achievement of financial targets or participation in any share-based compensation scheme of the Company.

As per Group policy, which reflected the common practice of the Italian market, the non-Executive Directors are not granted with any variable compensation.

With reference to Executive Directors, in addition to the compensation set by shareholders, they are granted individual compensation plans. In particular, at the time of their appointment or thereafter, the Compensation Committee proposes to the Board of Directors the remuneration package for Executive Directors or for directors holding special offices. On the basis of the above, the Board of Directors establishes – pursuant to article 2389, third paragraph, of the Italian Civil Code upon proposal of the Compensation Committee and following consultation with the Board of Statutory Auditors – fixed compensation for the Chairman and the CEO, and, in the case of Directors holding special offices in subsidiaries, approves the proposal to be submitted to the board of directors of the relevant subsidiary.

The model of delegation adopted by the Board contemplates broad operating powers to the Chairman and the Chief Executive Officer by which they are authorized, separately and individually, to perform all ordinary and extraordinary acts that are consistent with the Company's purpose and not reserved by law for, or otherwise delegated or assumed by, the Board of Directors itself. In practice, the Chairman has the role of coordination and strategic direction for the activities of the Board of Directors, while the Chief Executive Officer is responsible for the operational management of the Group.

Consistent with the above, the individual compensation plan applicable to the Chairman does not contemplate a variable compensation, while the CEO is also granted with variable compensation, which can be both monetary and equity based.

As a general principle, the remuneration package of the CEO consists, inter alia, of the following elements: (i) a gross annual fixed component; (ii) an annual variable cash component that is based on the achievement of pre-set business objectives; (iii) a medium-long term, variable equity component.

With regard to Directors holding special offices (such as Mr. Montezemolo, Chairman of Ferrari S.p.A.) the individual compensation plan contemplates (i) a gross annual fixed component; (ii) an annual variable cash component that is based on the achievement of pre-set business objectives.

In addition, upon proposal of the Compensation Committee, the Board of Directors retains authority to grant bonuses for specific transactions that are deemed exceptional in terms of strategic importance and effects on the results of the Company and/or the Group as well as to consider special circumstances in resolving on the variable component of the remuneration. The Compensation Committee and the Board of Directors evaluate and approve in advance, respectively, any further remuneration elements awarded to Directors for any other special offices granted thereto within the Boards of Directors of the Company's subsidiaries.

Payment of short-term variable compensation is subject to the level of achievement of specific Group performance targets established annually by the Board of Directors, based on the proposal of the Compensation Committee, that are concretely measurable and consistent with the targets provided for in the Business Plan. The variable component is subject to a maximum established with reference to gross annual fixed compensation. The Compensation Committee verifies – on a yearly basis – the Group's performance achievement of the performance objectives established for the previous year and makes its consequent recommendation to the Board of Directors. On such basis, the Board of Directors, after consultation with the Board of the Statutory Auditors, resolves on the variable compensation of Executive Directors.

With regard to the weight of fixed and variable components of the compensation package, it should be noted that, on the basis of an international benchmarking, the individual compensation plan of the CEO is set on the basis of the following indicative criteria:

- (a) the fixed component generally represents no more than 25-35% of the targeted Annual Total Direct Compensation;
- (b) the annual incentive is determined as a percentage of the fixed salary (inclusive of remuneration received for other offices in other Group companies) depending on the level of achievement or over achievement of pre-set targets and represents generally not less than 100% of the fixed component in case of achievement of the targets. In any case, the maximum incentive cannot be 2.5 times greater than the gross annual fixed component;
- (c) the medium/long term, variable, target-based annualized component generally represents at least 60% to 70% of the total variable component (targeted annual performance bonus and annualized value of LTI awards) of the targeted Annual Total Direct Compensation. Special retention awards of equity may make the annualized component even greater.

In addition in the past the Company granted to the CEO and certain Executives with Strategic Responsibilities stock options in accordance with the terms of certain share-based incentive plans approved between 2004 and 2010, which in certain cases allow shares to be purchased at a predetermined price (stock options) and in other cases provide for the granting of Fiat ordinary shares (stock grants). Details concerning such plans are available at the Company's website.

With regard to allowances in the event of resignation or termination as well as health and welfare benefits, including supplementary pension benefits, please refer to Paragraphs L and M below, respectively.

For information on the LTI Plan approved in 2012, please refer to the Report on such LTI Plan available on the Company's website, www.fiatspa.com.

E.2 Statutory Auditors

Members of the Board of Statutory Auditors receive a fixed compensation, as established by shareholders. They are also entitled to reimbursement for any expenses occurred in relation to exercise of their office.

E.3 Executives with Strategic Responsibilities

The same principles and criteria described above are applied to compensation for Executives with Strategic Responsibilities for the purpose of attracting, incentivizing and retaining highly-qualified personnel through compensation packages that are competitive with the market and recognize key attributes such as merit, demonstrated leadership and the impact of an individual's role on the achievement of Group financial targets.

The standard compensation structure for Executives with Strategic Responsibilities provides a fixed component as well as short and long-term variable components. As stated above, the fixed compensation component adequately compensates individuals for services performed even if the variable components are not received as a result of performance targets not being met.

The short-term variable component is subject to the achievement of financial targets established yearly and the amount determined in relation to the level of achievement or over-achievement of those targets, up to a maximum established in relation to the fixed component.

Following to the shareholders' approval of the LTI Plan on April 4, 2012, the long-term variable component consists of share-based incentive plans that link an appropriate portion of the variable component to the achievement of pre-established performance targets, that are concretely measurable and correlated to value creation for shareholders over the medium to long term. Payment of this compensation is deferred through the cliff vesting mechanism following the achievement of the established targets and satisfaction of the conditions for continued service. Another component is the Retention LTI, which is linked to the beneficiary's continuing professional relationship with the Group. The selection of the beneficiaries is attributed to the CEO.

For more information on the LTI Plan, please refer to the ad hoc Resolution published pursuant to Article 114-*bis* of the Financial Act.

As a general principle, the remuneration package of Executives with Strategic Responsibilities consists, inter alia, of the following elements: (i) a gross annual fixed component; (ii) an annual variable cash component that is based on the achievement of pre-set business objectives; (iii) a medium-long term equity based variable component (which includes stock options mentioned in Paragraph E.1 above and the share-based incentives contemplated by the LTI Plan approved by the shareholders on April 4, 2012).

With regard to allowances in the event of resignation or termination as well as health and welfare benefits, including supplementary pension benefits, please refer to Paragraphs L and M below, respectively.

In addition, the CEO may grant discretionary bonuses to these managers for specific transactions that are deemed exceptional in terms of strategic importance and effects on the results of the Company and/or the Group.

When setting the compensation of Executives with Strategic Responsibilities, the CEO, on the basis of international benchmarking, considers the following indicative criteria:

- (a) the fixed component generally represents no more than 50% of the targeted Annual Total Direct Compensation;
- (b) the annual targeted incentive for Executives with Strategic Responsibilities represents not less than 40% of their fixed gross annual salary;
- (c) the medium/long term, variable, target-based annualized component (Long Term Incentive Plans) generally represents at least 50% of the total variable component of the target-based Annual Total Direct Compensation.

F. Non-monetary benefits

Executive Directors with specific functions may be granted health and welfare benefits, private use of transport means and discounts on the purchase of Group's products. For security reasons, Executive Directors must travel with means of transport owned, leased or procured by the Group. For the same reasons, the Group may also bear part of the costs related to personnel dedicated to the personal security of the Executive Directors. Executives with Strategic Responsibilities may be assigned with health and welfare benefits and company cars. Other benefits may be granted in particular circumstances.

G. Targets for the assignment of variable Compensation

The standard compensation structure for Executive Directors and Executives with Strategic Responsibilities provides a fixed component as well as short and long-term variable components.

The short-term variable component is subject to the achievement of financial targets established yearly and the amount determined in relation to the level of achievement or over-achievement of those targets, up to a maximum established in relation to the fixed component.

With regard to the annual Performance and Leadership Bonus Plan, the relative metrics are set on the basis of annual budget. The short-term variable component of Executive Directors' compensation is determined on consolidated Group results, whereas, for Executives with Strategic Responsibilities, metrics are established on consolidated Group results and/or on each Executive's area of direct responsibility.

The Compensation Committee and Board of Directors will review any unusual items that occurred in the performance year to determine the appropriate overall measurement of achievement.

In any event the choice of metrics provides a natural balance in order to prevent short term oriented decisions not consistent with the level of risk deemed acceptable by the Group.

Following the approval of the LTI Plan on April 4, 2012, the long-term variable component consists of a share-based incentive plan that links an appropriate portion of the variable component to the achievement of pre-established performance targets, that are concretely measurable and correlated to value creation for shareholders over the medium to long term. Please refer to Paragraph E above and to the Report published pursuant Article 114-*bis* of the Financial Act.

H. Targets for the assignment of share-based incentive schemes

The LTI share-based Plan is envisaged for individuals at Group companies whose activities and leadership have a significant impact on the Group. This plan intends to incentivize individuals in key positions, including Executives with Strategic Responsibilities, toward the achievement of Company and Group performance targets through the alignment of medium to long-term incentives to value creation for shareholders.

The part of the LTI Plan linked to the performance of the Group is directly linked with the achievement of pre-established financial performance objectives for the performance period starting on January 1, 2012 and ending on December 31, 2014. For further information please refer to the Report published pursuant Article 114-*bis* of the Financial Act.

The Board's proposal to the shareholder regarding the LTI Plan is publicly available on the Company's website: www.fiatspa.com.

I. Consistency with the long-term interests of the Company and the Risk Management Policy

The long-term interests of the Company and the risk management policy of the Group are integral part of the Group's Internal Control System. The Compensation Policy has been prepared in full consistency with the Internal Control System of the Group. Please also refer to Paragraph D above.

J. Vesting periods and deferral payment systems (if any)

Please refer to Paragraph H above.

K. Time restrictions

The LTI Plan does not provide for any lock-up mechanism after the shares are granted to the beneficiaries. Trading of such shares is subject to the applicable laws and regulations. The rights granted under the LTI Plan will be non-transferable (except, once vested, in the event of death of the beneficiary).

L. Cessation of office or termination of employment

The Board of Directors may also grant Executive Directors with specific functions with an allowance in the event of resignation or termination (regarding allowances granted in the previous years, please refer to Section II, Part I, (v) of this Report).

For Executives with Strategic Responsibilities post termination treatment consists in the relevant termination indemnity accruals set aside per collective bargaining agreements. Furthermore, in the case of dismissal under mutual agreement, the Group collective bargaining agreement in Italy provides pre-defined and nondiscretionary severance benefits for Executives covered by that agreement. Executives with Strategic Responsibilities whose professional relation with the Group is not governed by such collective bargaining agreement are covered by Group defined nondiscretionary severance programs.

Furthermore, the Company may enter into non-competition agreements with its members of the Board of Directors and Executives with Strategic Responsibilities and for specific and relevant professional roles of senior managers and executives, providing for payment of a fee in relation to the term and scope of the obligation resulting from the agreement itself. The obligation is referred to the industry in which the employer operates in at the time of the agreement and to its geographical scope. The scope of the obligation varies according to the individual's role at the time of execution of the agreement.

M. Insurance, social security or pension coverage

The Board of Directors may also grant Executive Directors with specific functions with insurance policies covering accidental death, permanent disability and life insurance as well as with supplementary pension benefits.

N. Other information

Please refer to Paragraph E.1 above.

O. Reference to the compensation policy adopted by other Companies

The determination of compensation levels is based on continuous monitoring of levels for the market in general and for the sector, including benchmarking against groups of a comparable size, complexity and standing.”

20 February 2013

On behalf of the Board of Directors

/s/ John Elkann

John Elkann

CHAIRMAN

b) Authorization for the Purchase and Disposal of Own Shares

Shareholders,

On 4 April 2012, you renewed authorization for the purchase of shares – not to exceed the legally established percentage of share capital or an aggregate amount of €1.2 billion, inclusive of existing reserves for own shares held of €259 million. The authorization related to the three classes of shares (ordinary, preference and savings) outstanding on that date. No shares were repurchased under that authorization with the exception of the 9,332 ordinary shares acquired from shareholders, which represented fractions of ordinary shares resulting from the mandatory conversion, based on the approved conversion ratios, of all preference and savings shares into ordinary shares. With the exception of those acquisitions, the most recent purchase of own shares was in June 2008, following which the Company's share buyback program was suspended.

Over the years, the Group has established stock grant and stock option plans based on the Company's own shares to incentivize the executive directors and managers having a significant influence on business results toward the achievement of Company and Group performance targets.

For that purpose, on 4 April 2012 you approved a new 3-year incentive plan based on the Company's shares and authorized the use of up to a maximum of 31,000,000 ordinary shares, in addition to the 16,920,000 shares necessary to service the incentive plans already existing at the time. At 20 February 2013, the Company held 34,577,790 own ordinary shares, which are available to service those plans, corresponding to 2.76% of share capital, and the "Reserve for own shares" totaled €259 million. No other Group company holds Fiat S.p.A. shares.

To ensure coverage of the above share-based incentive plans established by the Company, in addition, more generally, to providing the Company a strategic investment opportunity for other purposes permitted by law, we propose that you renew the authorization for the Company to purchase and dispose of its own shares, in both cases either directly or through subsidiaries, to ensure a continuation of the necessary operating flexibility over an adequate time horizon and in consideration of the fact that the current authorization expires on 4 October 2013. Such authorization will be subject to the limits and procedures set out in the applicable provisions of the Civil Code, the provisions of Article 132 of Legislative Decree 58/1998 and Article 144-*bis* of the Consob Issuer Regulations, and other legal and regulatory provisions that apply.

Accordingly, we further propose that you revoke the previous resolution, for the part not already utilized at the date of the General Meeting, and authorize the purchase of own shares for a period of eighteen months and for an amount not to exceed the legally established percentage of share capital (at the current par value of €3.58 per share), inclusive of Fiat S.p.A. shares already owned by the Company and/or its subsidiaries.

The purchase price per share may not be more than a maximum of 10% higher or a minimum of 10% lower than the reference price reported by Borsa Italiana on the day prior to the purchase.

The Company intends to maintain reserves available for the purchase of a maximum aggregate amount of €1.2 billion, including existing reserves for own shares (totaling €259 million at 20 February 2013).