



RETIREE FAQs

(U.S. Non-bargaining unit retirees)

1. Are Chrysler's pension plans protected from creditors' claims in the Bankruptcy proceedings?

Yes. Federal law protects the funds in qualified pension plans from creditor claims.

2. Will anything happen to Chrysler pension plans as a result of the bankruptcy?

Chrysler's pension plans are governed under the provisions of the Employee Retirement Income Security Act (ERISA). Under the proposed transaction with Fiat, Chrysler's qualified pension plans will be assumed by the new company.

3. Will there be any impact on retiree medical benefits as a result of the bankruptcy filing?

While no immediate changes to retiree medical benefits have been made, benefits may change in the normal course of business and in accordance with bankruptcy laws as Chrysler reserves the right to amend, suspend or terminate all or any provisions of its employee benefit plans and programs. As always, if any changes are planned in the future, there will be information provided at that time.

4. What happens if the defined benefit pension plans are terminated?

No decision has been made to terminate the defined benefit pension plans. In the event a plan is terminated it will be administered by the Pension Benefit Guaranty Corporation, which is an independent agency chartered under federal law. For more information about the PBGC insurance protection and its limitations, you may visit www.pbgc.gov.

5. As a retiree, what will happen to my monthly PTD disability or survivor benefits?

While no immediate changes to your monthly PTD or survivor benefits have been made, benefits may change in the normal course of business as Chrysler reserves the right to amend, suspend or terminate all or any provisions of its employee benefit plans and programs. As always, if any changes are planned in the future, there will be information provided at that time.

6. What will happen to the accounts of employees in the 401(k) plan?

The assets in all 401(k) plans are completely separate from Chrysler and are held in a trust administered by Merrill Lynch. These funds are protected from the claims of the Company's creditors.

7. Now that the Company has filed for Bankruptcy, can I withdraw my 401(k)/Pension assets in a lump sum?

Regular plan terms and IRS regulation still apply to all distributions. Please contact a financial advisor for more information regarding your particular situation.

8. Am I still entitled to amounts contributed to the 401(k) retirement plan (Employee Managed Retirement Plan)?

Yes, the Employee Managed Retirement Plan is a qualified pension plan whose assets are protected from creditor claims. Vested amounts are available to plan participants in accordance with plan provisions. The vesting schedule remains and is not impacted by filing for chapter 11. For further information please contact Merrill Lynch at 800-483-7283 or via web at <http://www.benefits.ml.com>

9. Are employees still responsible for any loan payments they have related to their 401(k) Plans?

Yes. At present, the normal terms of the plan remain in place.

10. Where should retirees go to get more information?

We will continue to provide updates as appropriate through our regular channels of communication. In addition, please visit <http://www.chryslerretirees.com/> for updates.

11. What should I do with my Chrysler Employee/Retiree Lease vehicle?

For now, your lease arrangement will continue.

As you may know, Chrysler has an agreement with outside entities that own the vehicles that Chrysler employees and retirees drive as lease vehicles. For now, Chrysler will continue to collect payments from your pay, pension check or other method, and will forward the appropriate amount to the outside entity.

Remember that, as has been previously communicated, the lease program had already been scheduled to end later this year.

In the meantime, you should be aware that Chrysler continues to offer very favorable terms for purchase of new vehicles under the Employee Advantage Plan (*Dashboard*

Anywhere/Cars & Trucks channel). Also, in partnership with Chrysler, Met Life and the Sterling Insurance Agency offer competitive group insurance rates for auto and other coverage (*Dashboard Anywhere/Pay & Benefits channel/Optional Insurance*).

12. Will pension checks be delivered in the same way?

Retirees who have previously elected EFT should not be affected. Employees who have previously elected EFT via Benefit Express should call their financial institutions directly to confirm availability of their funds. Banking inquiry systems (on-line and 1-800 hotlines) update throughout the day, If you receive paper checks there could be a one or two day period in which check clearing is delayed.

For future pension elections, retirees can continue to elect EFT through Benefit Express.

First-day motions were filed to support Chrysler's retirees, dealers, vendors and suppliers, together with its customers and other stakeholders. The Court granted approval for the company's request to continue payment of wages and health and welfare benefits to employees and contractors, and continue its customer warranty programs.

13. In situations where a retiree's pension payment has been reduced to less than the healthcare, lease car or life insurance monthly premium, how would the premium be paid?

Benefits Express would contact the retiree to arrange direct bill payment. (added 5/8)

14. Will Chrysler Financial continue to service current customers?

Yes. Chrysler Financial will service and manage the retail installment loans and leases written with Chrysler Financial. (Added 5/8)

15. What is the official date of filing for bankruptcy?

On April 30th, 2009, Chrysler LLC and twenty-four (24) of its affiliates filed petitions in the United States Bankruptcy Court. (Added 5/8)

16. How will payments through the Supplemental Executive Retirement Plan be affected?

Chrysler's filing for entry into Chapter 11 bankruptcy protection does not change the status of its defined benefit pension plans and defined contribution plans, such as 401(k) plans.

Defined benefit plan and defined contribution plan benefits are protected by law from claims of Chrysler's creditors.

The Pension Benefit Guaranty Corporation (PBGC) has confirmed that as the bankruptcy process unfolds, it will work with Chrysler to ensure continuation of the defined benefit

pension plans. Benefits in the Company's defined benefit pension plans are guaranteed up to the limits set by law. For more information about the PBGC guaranty, you can log-on to the PBGC website at www.PBGC.gov.

We are required by law to stop the payments of non-tax qualified SRP benefits. We are uncertain at this time whether the law will permit the Company to pay any portion of non-tax qualified SRP benefits in the future. We will continue to share updates with our employees and retirees on a regular basis.

17. Please list the benefits that are considered qualified vs non-qualified (subject to the claims of creditors).

Qualified Salaried Retirement & Savings Plans

Plan	Acronym	QP / NQP	Benefit Elements
Chrysler LLC Pension Plan	CPP	DB QP	Basic Temporary Early Retirement Supplement Interim Supplement
Chrysler LLC Salaried Employees' Retirement Plan	SERP	DB QP	FAS Contributory
Chrysler LLC Executive Salaried Employees' Retirement Plan	ESERP	DB QP	FAS Contributory
Chrysler LLC Supplemental Executive Retirement Plan	SRP	DB NQP	ERISA Excess - benefits not payable under the qualified plan. IC – benefits accrued on IC awards.
Chrysler LLC Salaried Employees' Savings Plan	SESP	DC QP	401(k) deferrals
Chrysler LLC Executive Employees' Supplemental Savings Plan	ESSP	DC NQP	Income deferrals in addition to those permitted under the 401(k) plan.

Chrysler LLC Salaried Employees' Income Deferral Plan	SEIDP	DC NQP	Income deferrals in addition to those permitted under the 401(k) plan.
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Nonqualified plan (NQP) – a plan that does not meet the requirements of Section 401(a) of the Internal Revenue Code.

- Subject to general creditors in the event of a bankruptcy.
- There is no requirement that assets be set aside.
- Not protected by the PBGC.

Qualified Plan (QP) – a plan that the IRS approves as meeting the requirements of Section 401(a) of the Internal Revenue Code. A qualified plan receives favorable tax treatment.

- Plan fiduciaries must comply with ERISA requirements including funding, reporting, and disclosure.
- Assets are separate from business assets.
- Defined benefit (DB) QPs are protected by the PBGC.