



Sergio Marchionne

Chief Executive Officer

September 14, 2011

Mr. Bob King
President
International Union, UAW
8000 East Jefferson Avenue
Detroit, MI 48214

Dear Bob,

It is now 10 p.m., September 14th, 2011 and the collective agreement between Chrysler Group LLC and the UAW is going to expire in a couple of hours.

You and I met last weekend and agreed that we had to get this new contract agreed and signed by today.

We have had a large number of people working on the issues, 13 bargaining committees who since July 25 have been working diligently to resolve matters that are essential to the formulation of a new collective agreement that will take us into 2015. They have done their work, and we are down to the resolution of a few issues, primarily involving the economics for our employees for the next 4 years.

I flew back from the Frankfurt Motor Show late last night to be here today to finalize the dialogue that has been started by our teams but that required your presence and mine to conclude. You, unfortunately, could not be here, I am told, due to competing engagements.

We have known about this expiration for a long time.

It was discussed at length during an incredibly painful period in 2009 when we argued and pleaded, together, to be given a second chance to put Chrysler right. And we even agreed that were we still around in 2011, we would not go back to the old adversarial and confrontational ways of the past to resolve unsettled matters: that we would have someone else arbitrate our differences.

And so as I sit at my desk now, I am thinking of our 26,000 employees who tomorrow will be working without a new contract, without even an understanding between Chrysler and the UAW that the old one is extended. We have not even agreed on the procedures for arbitration.

Until now, there have been encouraging signs of a new paradigm governing the relationship between us.

We share a view that World Class Manufacturing is to be rapidly deployed throughout the organization to put dignity back in the workplace, to make our factories and our people safer, to produce high quality products by eliminating all waste from our processes.

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We share a commitment to create a new order wherein our employees can share in the economic success of this new Chrysler, one in which we can gradually restore economic wellbeing to our people but in a manner which reflects and parallels both the improvement in the market acceptance of our products and the financial performance of the company.

These shared commitments are at the heart of the new Chrysler. They are the reason why notwithstanding the naysayers and against all odds, we are still here today.

They are the reason why Chrysler people, be they blue or white collar, have worked incessantly, with unwavering dedication and without hesitation during the last 27 months to bring Chrysler back.

These are the reasons why we have continued our investment programs in the US, committing more than 4 billion dollars without knowing the outcome of these labor negotiations.

You and I failed them today.

We did not accomplish what leaders who have been tasked with the turning of a new page for this industry should have done.

We did not manage to agree to a set of simple conditions that would have given certainty and peace of mind to the lives of more than 110,000 actives and retirees.

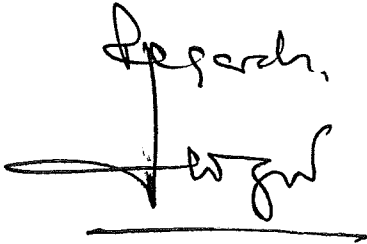
I know that we are the smallest of the three automakers here in Detroit, but that does not make us less relevant. Our people are no less relevant.

And they are certainly more relevant than some of the larger issues, including those on the international front, that are close to your heart but that do not impact on the quality of the lives of our people.

I need to travel out of the country now for business reasons and will return early next week.

I am willing to extend the current contract by an additional week to allow closure on all outstanding matters.

I hope you concur.

A handwritten signature in black ink, appearing to read 'Bob King', with a horizontal line underneath.

cc: General Holifield
Tim Bressler
James Hardy
Keith Mickens
Virdell King
Rich Boruff
Shawn Fain
Kenneth Morrast

Parrish Elder
Thomas Brenner
Matt Frantzen
Rodney Ridgway
Freddie Hughes
Jeff Hagler
Mike Hayes