



FCA CAPITAL IRELAND P.L.C.

(incorporated with limited liability in Ireland)

€8,000,000,000

**Euro Medium Term Note Programme
unconditionally and irrevocably guaranteed by**



FCA BANK S.p.A.

(incorporated with limited liability in the Republic of Italy)

This first Supplement (the **Supplement**) to the Base Prospectus dated 12 May 2016 (the **Base Prospectus**), constitutes a supplement for the purposes of Article 16 of Directive 2003/71/EC, as amended (the **Prospectus Directive**) as implemented in Ireland by the Prospectus (Directive 2003/71/EC) Regulations 2005, as amended (the **Prospectus Regulations**) and is prepared in order to update the Base Prospectus relating to the €8,000,000,000 Euro Medium Term Note Programme (the **Programme**) established by FCA Capital Ireland p.l.c. (the **Issuer**) and unconditionally and irrevocably guaranteed by FCA Bank S.p.A. (the **Guarantor**). Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus and any other supplements to the Base Prospectus issued by the Issuer and Guarantor.

This Supplement has been approved by the Central Bank of Ireland (the **Central Bank**), as competent authority under the Prospectus Directive. The Central Bank only approves this Supplement as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive.

The language of this Supplement is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

The Issuer accepts responsibility for the information contained in this Supplement and the Guarantor accepts responsibility for the information relating to itself contained in this Supplement. To the best of the knowledge and belief of the Issuer and, in respect of the information relating to itself only, the Guarantor (each having taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Purpose of the Supplement

The purpose of this Supplement is to (i) update the information contained in the Base Prospectus regarding the long-term rating assigned by Standard & Poor's Credit Market Services Italy S.r.l. (**S&P**) to the Guarantor; and (ii) disclose certain recent events relating to the Issuer and the Guarantor.

UPDATE OF THE INFORMATION REGARDING THE LONG-TERM RATING ASSIGNED BY S&P TO THE GUARANTOR

On 19 May 2016, Standard & Poor's Credit Market Services Italy S.r.l. announced that it had raised the long-term counterparty credit rating of the Guarantor to 'BBB-' from 'BB+'. The outlook is stable.

The text which appears on page 2, second paragraph of the Base Prospectus is no longer correct and the current position is set out below.

The second paragraph appearing on page 2 of the Base Prospectus is hereby deleted in its entirety and replaced as follows:

“The rating of certain Series of Notes to be issued under the Programme may be specified in the applicable Final Terms. Whether or not each credit rating applied for in relation to relevant Series of Notes will be issued by a credit rating agency established in the European Union and registered under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**) will be disclosed in the Final Terms. Such credit rating agency will be included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA Regulation). The Guarantor has been assigned a long-term rating of Baa2 (outlook stable) by Moody's Investors Service Ltd. (**Moody's**), BBB (outlook positive) by FITCH ITALIA – Società Italiana per Il Rating S.p.A. (**Fitch**) and BBB- (outlook stable) by Standard & Poor's Credit Market Services Italy S.r.l. (**S&P**). Each of Moody's, Fitch and S&P is established in the European Union and registered under the CRA Regulation, and is included in the list of registered credit rating agencies published on the website of the European Securities and Markets Authority referenced above. Please also refer to “Credit ratings may not reflect all risks” in the “Risk Factors” section of this Base Prospectus.”

RECENT EVENTS RELATING TO THE ISSUER AND GUARANTOR

The following paragraph is added under “9. Recent Developments” in the section “Description of the Guarantor”, immediately following the subparagraph headed “9.1 Acquisition of Ferrari Financial Services AG” on page 93 of the Base Prospectus:

“9.2 Potential transformation of certain subsidiaries of the Guarantor into foreign branches of the Guarantor

On 25 May 2016, the board of directors of the Guarantor analysed and preliminarily approved a project involving the potential transformation of certain of its current subsidiaries into foreign branches of the Guarantor, including, amongst others, the transformation of FCA Capital Ireland p.l.c into an Irish branch of the Guarantor.

The project, which is not expected to have a material impact on the FCA Bank Group's business and geographical presence, is aimed at simplifying the FCA Bank Group structure and its implementation remains subject to the obtaining of the relevant regulatory approvals.”

GENERAL

To the extent that there is any inconsistency between (a) any statement in this Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus since the publication of the Base Prospectus.