

**SECOND SUPPLEMENT DATED 3 DECEMBER 2018 TO THE BASE PROSPECTUS
DATED 17 APRIL 2018**



FCA BANK S.p.A.
(incorporated with limited liability in the Republic of Italy)

acting through

FCA BANK S.p.A., IRISH BRANCH

€12,000,000,000
Euro Medium Term Note Programme

This second Supplement (the **Supplement**) to the Base Prospectus dated 17 April 2018 as supplemented by the first supplement dated 8 August 2018 (the **First Supplement**, and together with the Base Prospectus dated 17 April 2018, 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 Euro Medium Term Note Programme (the **Programme**) established by FCA Bank S.p.A., acting through its Irish branch (the **Issuer**). 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.

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. To the best of the knowledge and belief of the Issuer, 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) include a new risk factor entitled “*The FCA Bank Group is exposed to the risk of legal or other proceedings that may result from legal disputes, public authorities’ investigations, including official proceedings with various stakeholders*” under the heading “*Factors that may affect the Issuer’s ability to fulfil its obligations under the Notes issued under the Programme*” in the “*Risk Factors*” section on page 36 of the Base Prospectus (ii) update the “*Documents Incorporated by Reference*” section of the Base Prospectus to incorporate by reference the press release of FCA Bank dated 1 October 2018, (iii) update the paragraph entitled “*History and*

Developments” in the “*Description of FCA Bank*” section on page 90 of the Base Prospectus, (iv) update the table contained in the paragraph entitled “*Board of Directors*” under the heading “*Administrative, Management And Supervisory Bodies*” in the “*Description of FCA Bank*” section on pages 102 and 103 of the Base Prospectus, and (v) update the paragraph entitled “*Regulatory and Legal Proceedings*” in the “*Description of FCA Bank*” section on page 106 of the Base Prospectus.

INCLUSION OF THE RISK FACTOR “*THE FCA BANK GROUP IS EXPOSED TO THE RISK OF LEGAL OR OTHER PROCEEDINGS THAT MAY RESULT FROM LEGAL DISPUTES, PUBLIC AUTHORITIES’ INVESTIGATIONS, INCLUDING OFFICIAL PROCEEDINGS WITH VARIOUS STAKEHOLDERS*”

On page 36 of the Base Prospectus, the following paragraph is added under the sub-section entitled “*Factors that may affect the FCA Bank’s ability to fulfil its obligations under the Notes issued under the Programme*” in the “*Risk Factors*” section.

***“The FCA Bank Group is exposed to the risk of legal or other proceedings that may result from legal disputes, public authorities’ investigations, including official proceedings with various stakeholders.*”**

In the course of its operating activities, the FCA Bank Group could become subject to legal disputes, public authorities’ investigations or other official proceedings in Italy as well as abroad. In particular, but not limited to the following scenarios, such proceedings may be initiated by relevant authorities, suppliers, dealers, customers, employees, or investors and could relate to, *inter alia*, legal and regulatory requirements, competition issues, ethical issues, money laundering laws, data protection laws, non-compliance with civil law and information security policies. For the companies involved, these proceedings may result in payments, regulatory sanctions or other obligations. Complaints brought by suppliers, dealers, investors or other third parties may also result in significant costs, risks or damages for the FCA Bank Group. There may be investigations by public authorities into circumstances of which the FCA Bank Group is currently not aware, or which have already arisen or will arise in the future, including in relation to alleged violations of supervisory, competition or criminal.

Litigation is inherently uncertain and the FCA Bank Group could experience significant adverse results regardless of the merits of any alleged claims or outcomes of proceedings in which it is directly or indirectly involved. A negative outcome in one or more of such legal proceedings may adversely affect FCA Bank’s or the FCA Bank Group’s results of operations and financial condition. In addition, adverse publicity relating to allegations involving the FCA Bank Group may cause significant reputational harm that could have a material adverse effect on the FCA Bank Group. Further, certain FCA Bank affiliated entities are or may become subject to litigation and investigations by public bodies, and have been or may become subject to fines or other penalties. These factors could affect the business of such affiliates and, accordingly, could have a negative effect on FCA Bank’s or the FCA Bank Group’s business, results of operations and financial condition.

Any of the foregoing could have a material adverse effect on FCA Bank’s or the FCA Bank Group’s business, financial position, results of operations and its reputation.”

DOCUMENTS INCORPORATED BY REFERENCE

Press Release dated 1 October 2018

On 1 October 2018, FCA Bank issued a press release announcing that Leasys S.p.A., FCA Bank’s mobility solutions and contract hire subsidiary, acquired WinRent S.p.A., a short-term car rental firm operating in Italy on the same day.

On page 42 of the Base Prospectus, at the end of the section entitled “*Documents Incorporated by Reference*”, a new letter (h) is added as follows:

“(h) the press release of FCA Bank entitled “Leasys completes the acquisition of WinRent” dated 1 October 2018 (which can be found on the following website: <https://www.fcabankgroup.com/en/press-area>).”

UPDATE OF THE PARAGRAPH ENTITLED “*HISTORY AND DEVELOPMENTS*” IN THE “*DESCRIPTION OF FCA BANK*” SECTION OF THE BASE PROSPECTUS

On page 90 of the Base Prospectus, the fourth sub-paragraph (included by virtue of the First Supplement) under the paragraph entitled “*History and Developments*” in the “*Description of FCA Bank*” section is hereby deleted in its entirety and replaced as set out below.

“On 28 August 2018, the authorization process related to the Belgian branch of FCA Bank established in Auderghem (Belgium) (the **Belgian Branch**) was completed by the National Bank of Belgium after having received the green light by the European Central Bank, and the Belgian Branch was included in the “list of the credit institutions governed by the law of another Member State of the European Economic Area with a registered branch in Belgium”. The Belgian Branch was established in the broader context of a reorganisation of the FCA Bank Group’s activities in Belgium. The Belgian Branch marks the establishment of FCA Bank’s retail banking business in Belgium and Luxembourg.

As part of such project, the cross-border merger (the **Merger**) of FCA Capital Belgium S.A. (**FCA Belgium**) with and into FCA Bank was completed and became effective on 1 November 2018 (the **Effective Date**) following the obtainment of the required authorisations from the Bank of Italy and the European Central Bank as well as the execution of the deed of merger relating to the Merger.

Pursuant to the Merger, as of the Effective Date, FCA Belgium ceased to exist as a legal entity and FCA Bank, under universal succession, succeeded to and assumed by operation of law all of the obligations, rights, interests, assets and liabilities of FCA Belgium and, simultaneously, all such obligations, rights, interests, assets and liabilities were allocated automatically to the Belgian Branch.
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UPDATE OF THE TABLE SETTING OUT CERTAIN INFORMATION REGARDING THE MEMBERS OF THE BOARD OF DIRECTORS OF THE ISSUER

At the meeting held on 14 September 2018, the Board of Directors of the Issuer acknowledged the resignation of Alfredo Altavilla, as Director of FCA Bank, effective as of 31 August 2018. Furthermore, on the same meeting of the Board of Directors of the Issuer, Davide Mele was appointed as Director of FCA Bank.

The information set out in the table contained in the paragraph entitled “*Board of Directors*” under the heading “*Administrative, Management And Supervisory Bodies*” in the “*Description of FCA Bank*” section on pages 102 and 103 of the Base Prospectus is no longer correct and the current position is set out below.

“The table below sets out certain information regarding the members of the board of directors of FCA Bank as at the date of this Base Prospectus.

<u>Name</u>	<u>Position</u>	<u>Year first Appointed to the Board of Directors</u>	<u>Principal Offices Outside of the FCA Bank Group</u>
P. Dumont	Chairman of the Board	2009	Deputy Managing Director of Crédit Agricole S.A. for Specialized Financial Services; CA Consumer Finance SA – Chief Executive Officer; Group member of the Comité Exécutif and of the Comité de Direction of Crédit Agricole; Agos Ducato S.p.A – Chairman of the Board
G. Carelli	Chief Executive Officer and General Manager	2014	
V. Wanquet	Director (non-executive)	2017	CA Consumer Finance SA – Group Chief Financial Officer, and Member of the Group Executive Committee
G. Maioli	Director (non-executive)	2012	Cariparma S.p.A., CEO and General Manager – Italy Senior Country Manager of Crédit Agricole Group and member of the Comité Exécutif of Crédit Agricole
R.K. Palmer	Director (non-executive)	2008	Fiat Chrysler Automobiles Group – Chief Financial Officer
B. Manuelli	Director (non-executive)	2006	CA Consumer Finance SA – Head of International Automotive Partnerships
D. Mele	Director (non-executive)	2018	FCA – Deputy Chief Operating Officer EMEA Region
A. Faina	Director (non-executive)	2014	FCA – Head of Group Financial Services; Fidis S.p.A. – Chief Executive Officer and General Manager
A. Giorio	Independent Director (non-executive)	2014	AUXE Partners s.r.l. – Risk & Capital Management Advisory, Managing Director
P. De Vincentiis	Independent Director (non-executive)	2017	Full professor of Banking and Finance, University of Torino, Italy”

UPDATE OF THE PARAGRAPH ENTITLED “REGULATORY AND LEGAL PROCEEDINGS” IN THE “DESCRIPTION OF FCA BANK” SECTION OF THE BASE PROSPECTUS

On page 106 of the Base Prospectus, the following new sub-paragraph is added at the end of the paragraph entitled “*Regulatory and Legal Proceedings*” in the “*Description of FCA Bank*” section.

“On 5 October 2018, FCA Bank received – together with several other banks and car manufacturers – a statement of objections from the AGCM. It is alleged in this statement of objections that several captive banks offering financing solutions for vehicles commercialised by the relevant car manufacturers have restricted competition as a result of certain exchanges of information, in particular within two professional associations. At this stage, it is expected that a decision will be adopted by 31 December 2018, although this deadline may be extended.”

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.