

CHRYSLER
CAPITAL®



2019 BALLOON
PROGRAM GUIDE

POLICIES AND GUIDELINES OVERVIEW

This document serves as an overview of the current guidelines and policies for originating a retail balloon finance contract with Chrysler Capital. Chrysler Capital reserves the right to change all rules, fees, rates, charges, dealer participation policies and other matters described in this overview or elsewhere at any time, without notice. You can also visit the Chrysler Capital Dealer Website via DealerCONNECT, RouteOne and Dealertrack for the latest versions of this overview and all documents, forms, credit policies and program rules.

Chrysler Capital evaluates the creditworthiness of credit applicants requesting financing. All applicants will be treated in a fair and equitable manner. This overview describes the policies that will be employed for providing indirect financing (contracts originated through a dealer) to consumers and businesses (only with an individual co-applicant) in the United States for new balloon financing.

WHAT IS A CHRYSLER CAPITAL BALLOON?

The Chrysler Capital Balloon is an alternative retail financing program for new Chrysler, Dodge, FIAT®, Jeep®, and Ram vehicles. The financing option is designed to give customers the benefits of a lower monthly payment, the ability to own the vehicle and several end-of-term options that best fit the customer's lifestyle. The Chrysler Capital Balloon option consists of one lump-sum payment (balloon) that is due at the end of the contract. The customer must determine which end-of-term solution is best at the end of the contract.

Program Details

The Chrysler Capital Balloon product is a simple interest contract with a static annual percentage rate (APR) and a fixed payment schedule. The actual final payment may differ from the initial contract amount based on pay history over the term of the contract.

BALLOON ELIGIBILITY REQUIREMENTS

Eligible Vehicles

- All new FCA US LLC vehicles listed in the Chrysler Capital Incentivized Lease Program are eligible
- Used vehicles are NOT eligible

Ineligible Vehicles

An ineligible vehicle is any vehicle that could result in a liability issue for Chrysler Capital or vehicles not listed in the Chrysler Capital Residual Value Lease Guide. Other vehicles may be added at any time at the discretion of Chrysler Capital. (This list does not include all applicable ineligible vehicles.)

- Previously titled vehicles
- Used vehicles or vehicles with more than 5,000 miles for non-demonstrator vehicles and 7,500 miles for demonstrator vehicles
- Previously branded titles such as salvage or Lemon Law
- Flood, hail, storm or frame damaged vehicles
- Modified, customized or racing vehicles
- Vehicles not originally sold in the United States
- Motor homes
- Vehicles with special equipment
- Driver's education-use vehicles
- Emergency or law enforcement vehicles
- Limousines
- Compressed natural gas vehicles
- Medium to heavy duty trucks
- Vans with a capacity of 11 or more people (including driver) to be used to transport students to/from school, or school-affiliated activities or events

Eligible States

- Balloons are currently available in the following states:
AK, AR, AZ, CA, CO, CT, DE, FL, GA, IL, LA, MA, ME, MN, MO, MS, MT, ND, NE, NJ, NM, NY, OR, RI, SD, TN, UT, VA, VT, WI, WV, WY
- The customer state of residence determines eligibility

Eligible Term

- 48 or 60 months only; last payment will be balloon payment and applicable interest (e.g., on a 48-month term, the 48th payment is the balloon amount, plus applicable interest)

Eligible Customers

- Individual customers only

Eligible Transactions

- Tiers 1-3, subject to credit approval

Product Compatibility

- Compatible with all standard retail programs; not eligible for the Chrysler Capital's 0 Payment for 90 Days program or subvented APR program

Maximum Financed Amount

- Chrysler Capital's advance limits are listed by tier on the Chrysler Capital Balloon Rate Sheet
- Refer to callback for applicable tier
- Advance is based on manufacturer's invoice

Minimum Financed Amount

- \$10,000 in all states
- In the state of New Jersey only, balloon transactions for new vehicles cannot be less than a cash-selling price of \$10,000, as defined as the negotiated sales price of the unit

Maximum Balloon Amount

- Determined based on make, model, trim, MSRP, year and term on contract; refer to Chrysler Capital Balloon calculator for balloon amount

Minimum Balloon Payment

- Minimum balloon payment must be at least two times the regularly scheduled monthly payment amount

Communication

- The dealership will be the primary contact for all application-related questions
- The applicant may be used as the secondary point of contact if the dealership cannot provide the requested information

Credit Application Policy

- All credit applications must be made in writing, signed and dated by the applicant and co-applicant(s)

CREDIT APPROVAL

Policy

Credit approvals are based on the full-structure of the deal. Approvals must meet Chrysler Capital's credit policy and underwriting guidelines.

Approval Expiration

Approvals are valid up to 30 days from the date of application. Applications exceeding 30 days will need to be resubmitted.

Custom Scorecard and Tier

Every application is scored on Chrysler Capital's internal proprietary scorecard. Based on this score, the application receives a tier. This tier is used to determine the deal structure based on credit policy limits.

Automated Evaluation

All credit applications submitted to Chrysler Capital are evaluated to determine if they meet the criteria for automated approval, automated decline or require a manual review. The rules applied are based on information from the credit application, credit bureau report, deal structure and existing customer performance.

Underwriting Guidelines

Refer to current Chrysler Capital Balloon Rate Sheet for details and restrictions.

Payment Terms

Payment dates should not be payable less than 30 days and not more than 45 days from the contract date.

Adverse Action

If adverse action is taken with respect to a credit application, it is Chrysler Capital's policy to notify the applicant of the adverse action in writing within 30 calendar days of receiving the completed credit application.

Verifications

Credit applications are subject to verification of information provided by the dealer and/or customer. Notwithstanding Chrysler Capital's review of any verification information provided by a dealer or customer, a dealer will remain responsible for the breach of any representation or warranty contained in the retail installment including, but not limited to, representations and warranties concerning the customer's identity and credit information.

Office of Foreign Asset Control (OFAC)

In cases of OFAC file hits, Chrysler Capital will verify the applicant through the Department of Treasury Specially Designated Nationals (SDN) List.

Bank Secrecy Act/Anti-Money Laundering

All applications must have the following information:

NAME
STREET ADDRESS (P.O. BOX NOT ACCEPTABLE)
DATE OF BIRTH
SOCIAL SECURITY NUMBER

CREDIT POLICY DEFINITIONS

LTV

Loan-to-Value is calculated as total amount financed/vehicle value.

ULTV

Loan-to-Value is calculated as total unpaid balance of the cash price/vehicle value. Also referred to as "Advance Before Backend Products" or "Line 3 LTV."

PTI

Payment-to-Income is calculated as monthly payment/total gross income.

DTI

Debt-to-Income is calculated as monthly debt/total gross income.

Down Payment

Down payment must be true cash down, trade equity or a combination of true cash and trade equity.

END-OF-TERM OPTIONS

The following end-of-term options are available to customers based on their state of residence.

Trade-in Vehicle

Customer may trade the vehicle in and purchase a new or used vehicle at any participating dealer.

Payoff Balance

Customer may pay the outstanding balance on the account and keep the vehicle.

Refinance

Customer may be able to refinance the outstanding balance with Chrysler Capital (retail installment only) and keep the vehicle, subject to eligibility rules. Please see the required balloon addendum for further details depending on state.

Sell Vehicle

Customer may opt to sell the vehicle back. See Balloon Addendum for specific details.

The Chrysler Capital Balloon program is based off annual miles of 15,000 per year. Any miles over this limit will be charged at \$0.25 per mile (Alfa Romeo 4C and Quadrifoglio, Jeep® Grand Cherokee Trackhawk and SRT® vehicles receive a \$0.50-per-mile adjustment) if the customer chooses to sell the unit back to Chrysler Capital. Section three of the Chrysler Capital Balloon Addendum should be completed by taking the initial miles plus product of the term in years (either 4 or 5) multiplied by 15,000. For example, a 48-month (4-year) contract with starting mileage of 25 has allowable mileage of 60,025:

$$25 + (4 \times 15,000) = 60,025$$

The dealer will enter 60,025 in the space below:

- Pay us \$0.25 per mile for each mile in excess of 60,025 miles shown on the odometer

RATES & CREDIT POLICY

Base Rate

Base Rate is the rate that is based on application tier. Rates can change when the deal structure falls outside of standard credit policy ranges for LTV, PTI and down payment and thus increase/decrease the risk profile of that application.

Final Approved Rate

The rate shown on the approval callback after all adjustments are applied based on deal structure.

Standard Program Rates

Standard Retail Rate will only apply if incentivized rates are not applicable.

Standard Base Rates are based on tier. Refer to callbacks for final approved rate.

Participation

Refer to Chrysler Capital Balloon Rate Sheet for details and restrictions.

Chargeback

Participation cannot be charged back after 90 days provided the customer makes the first three scheduled payments. A payoff is not considered a scheduled payment. If the customer does not make the first three scheduled payments, a chargeback will occur.

Dealer Discount

A non-refundable discount may be assessed for each contract based on risk. A discount cannot be directly or indirectly charged or passed through to the customer. Please refer to callback sheet for specific fees.

Buy Down

Any rate can be bought down via an additional discount adjustment. The discount adjustment amount will be provided by the Credit Department. Discounts cannot be directly or indirectly charged or passed through to the customer. Please contact buyer for additional details.

PTI, LTV, DTI, Down Payment

Policy limits vary by tier. Refer to Chrysler Capital Balloon Rate Sheet for details and restrictions or callback sheet for the maximum limits.

Backend Products

Refer to Chrysler Capital Balloon Rate Sheet for details and restrictions. The maximums are subject to state maximums (if applicable). The maximum total amount of backend product cannot exceed \$4,000 or 15 percent of MSRP, whichever is greater.

GAP

GAP maximum is lesser of \$900 or state max. GAP products must adhere to state/federal guidelines. GAP coverage may be sold if policy is applicable for balloon.

Dealer-Installed Options

Any Dealer-Installed Option (DIO) that does not adversely affect the future resale value of the vehicle can be financed. Multiple DIOs can be financed up to a maximum of \$1,200 combined and must be within credit approval maximum guidelines. However, only listed DIOs below may be added to the MSRP amount and included in the calculation of the balloon payment.

Alloy & Chrome Wheels (set of four)	
17-inch	\$700.00
18-inch	\$800.00
19-inch	\$900.00
20 and 22-inch	\$1,200.00
Bed Liner (removable)	\$250.00
Bed Rug	\$250.00
Rear Spoiler	\$150.00
Running Boards	\$250.00
Tubular Step Products	\$350.00
Mopar - endorsed Katzkin™ Certified Installed Leather Seating (must include all seating surfaces in vehicle)	\$800.00

Dealer Options that Void Warranties

Chrysler Capital will not finance a vehicle with options that void a manufacturer's warranty.

OEM Accessories

Approved accessories include the automotive equipment that is produced or approved by the Original Equipment Manufacturer (OEM).

CONTRACTING CONSIDERATIONS

Contract Type

Depending upon the state, Chrysler Capital accepts LAW® or Bankers Systems contracts and in specific states, other approved generic contracts. Costs associated with generic contracts are the responsibility of the dealer.

CA - The Single Document Rule does not apply to the Balloon Payment Notice because the notice is not part of the contract. The Balloon Payment Notice reinforces for the customer certain facts regarding the balloon product that are made clear in the contract before they enter into the transaction. **Note:** *California's Single Document Rule will still apply if the customer has additional aftermarket products such as GAP.*

NJ - Bankers Systems contracts are not eligible for balloon transactions in the state of New Jersey.

Doc Fees

Dealer Document Fees must not exceed state limitations and must comply with Chrysler Capital retail installment policy.

NSF Fees

Contracted NSF fees must not exceed state limitations or those published by Chrysler Capital.

Late Fees

Contracted Late Fees must not exceed state limitations or those published by Chrysler Capital.

VEHICLE VALUATION

New Vehicles

Maximum advance is based on manufacturer's invoice plus value of allowable DIOs as determined by Chrysler Capital. Copy of invoice must be included in the contract package.

FUNDING CHECKLIST

Required Documentation

- Decision/approval sheet (this should be used as package cover sheet)
- Current signed and dated retail contract by all parties
- LAW version of Balloon Addendum for applicable state or Chrysler Capital Balloon Addendum for applicable state (only one is needed); state-specific forms exist for the following:
 - Colorado and Maine
 - West Virginia
 - Texas (used for Arkansas and Texas customers)
 - Illinois
 - Virginia
- Signed and dated credit application (must be signed by all parties)
- Title application/title guarantee
- Factory invoice (new)
- Odometer statement (if mileage is not listed on the title application)
- Completed, signed and dated vehicle service contracts, GAP, Credit Life Accident Health Contracts (if applicable)
- Buyers Order
- All state-required forms

Customer Information*

- State-issued or government-issued ID
- Proof of insurance (completed agreement to provide insurance form is acceptable)
- Proof of income (if stipulated on callback)
- Proof of residence (if stipulated on callback); proof of physical address is required, P.O. Box alone will not fund
- Proof of phone (if stipulated on callback)
- Customer interview – Chrysler Capital will contact applicant (if stipulated on callback)
- Completed, signed and dated vehicle service contracts, GAP, Credit Life Accident Health Contracts (if applicable)
- All state-required forms

*Please refer to callback sheet for any additionally required forms.

Chrysler Capital reserves the right to request additional information, when applicable.

Co-Applicant

A co-applicant is considered a co-buyer on a retail credit contract and is jointly liable for the amount owed. The co-applicant's credit bureau will be reviewed and must meet the same criteria applicable to the primary applicant.

CUSTOMER INSURANCE

Insurance

- Comprehensive and collision coverage is required for the life of the account
- Must be verified prior to funding
- Chrysler Capital must be listed as loss payee
- Insurance correspondence address:
P.O. Box 189, Minneapolis, MN 55440-189

BALLOON CALCULATOR

Instructions

The Balloon Calculator can be found at www.dealerconnect.com. Sign into DealerCONNECT and click on Chrysler Capital, then click Chrysler Capital Dealer Website. When inside the Chrysler Capital Dealer Website, click on Balloon Calculator.

To calculate your balloon payment, simply input all applicable information in the corresponding boxes and choose the correct options from the drop-down features. Click Calculate to arrive at a monthly payment and balloon (end) payment.

Step #1: Enter year, make, model and trim.

CHRYSLER CAPITAL Funding Apps Leads Docs & Training Tools Notifications

Dashboard / Balloon Calculator

Balloon Calculator

Model Year* 2016	Term (in months)* Select Term	MSRP* \$	Chrysler Capital Balloon Program Guide Balloon Addendum IL TX VA WV CO & ME Balloon FAQs <p>The desired balloon end payment must be greater than or equal to 2 monthly payments.</p> <p>If vehicle is not included in this calculator it is not eligible for balloon payments.</p>
Make* JEEP	Days Until First Payment* Select Days Until First Payment	Loan Amount* (includes taxes, fees, products, rebates & down payment) \$	
Model* GRAND CHEROKEE 4WD	Balloon Factor effective until 9/30/2016 % <small>Balloon factor is calculated using 90% of ALG value.</small>	APR* %	
Trim* 4dr Wgn Limited	<input type="checkbox"/> Manual Transmission	Calculate	

For Dealer Use Only! Do Not Distribute to Consumer or Customers! This is an example only and is based on information provided by Dealer. This is not an offer of credit and it is not an offer to purchase a contract on these terms. Subject to credit review and approval. All transactions must meet program requirements. Chrysler Capital makes no representation or warranty as to the accuracy of any calculator amounts. Chrysler Capital, in its sole discretion, may change the program rules at any time.

Step #2: Enter Term and Days Until First Payment (Balloon Factor will auto-populate)

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Dashboard / Balloon Calculator

Balloon Calculator

Model Year* 2016 Term (in months)* 60 MSRP* \$

Make* JEEP Days Until First Payment* 30 Loan Amount* (includes taxes, fees, products, rebates & down payment) \$

Model* GRAND CHEROKEE 4WD Balloon Factor effective until 9/30/2016 30 % APR* %

Trim* 4dr Wgn Limited Balloon factor is calculated using 90% of ALG value. Manual Transmission

Calculate

[Chrysler Capital Balloon Program Guide](#)
[Balloon Addendum](#) | [IL](#) | [TX](#) | [VA](#) | [WV](#)
[CO & ME](#)
[Balloon FAQs](#)

The desired balloon end payment must be greater than or equal to 2 monthly payments.
 If vehicle is not included in this calculator it is not eligible for balloon payments.

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Step #3: Enter MSRP, APR and Credit Amount then click Calculate. Monthly payment and Balloon (end) payment will populate.

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Dashboard / Balloon Calculator

Balloon Calculator

Model Year* 2016 Term (in months)* 60 MSRP* \$ 39,565.00

Make* JEEP Days Until First Payment* 30 Loan Amount* (includes taxes, fees, products, rebates & down payment) \$ 43,565.00

Model* GRAND CHEROKEE 4WD Balloon Factor effective until 9/30/2016 30 % APR* 5.90 %

Trim* 4dr Wgn Limited Balloon factor is calculated using 90% of ALG value. Manual Transmission

Calculate

Monthly payment
\$679.41

Balloon (end) payment
\$11,869.50

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[Balloon Addendum](#) | [IL](#) | [TX](#) | [VA](#) | [WV](#)
[CO & ME](#)
[Balloon FAQs](#)

The desired balloon end payment must be greater than or equal to 2 monthly payments.
 If vehicle is not included in this calculator it is not eligible for balloon payments.

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Note: The balloon payment that has been calculated is the maximum allowable balloon factor. The dealer has the option to reduce this desired balloon payment as long as it is at least twice the monthly payment.

Manual Transmission

Click yes for manual transmission, the calculator will then deduct two points from the residual.

There is no need to adjust for manual transmission for vehicles that are only available with manual transmission, such as the:

- FIAT® 500 Sport Turbo
- FIAT 500 Abarth
- FIAT 500 Abarth Cabrio

DEALER RETAIL/BALLOON PROGRAM ADDRESSES

Funding Addresses

A FedEx hub is located near our funding package scanning and data entry facility. This hub has middle-of-the-night delivery times to facilitate faster processing.

IMPORTANT: using any other courier besides FedEx can delay funding up to 24 hours.

FedEx - Preferred for Faster Funding	All Other Couriers
Chrysler Capital eDocs Program, Suite 2049 4054 Willow Lake Blvd Memphis, TN 38153	Chrysler Capital eDocs Program, Suite 2049 3268 Progress Way Wilmington, OH 45177

Payoff Addresses

FedEx	All Other Couriers
Chrysler Capital 1010 W. Mockingbird Ln Suite 100 Dallas, TX 75247	Chrysler Capital P.O. Box 660335 Dallas, TX 75233

Lienholder/Loss Payee Information

Titling	Loss Payee
Chrysler Capital P.O. Box 961272 Ft. Worth, TX 76161	Chrysler Capital P.O. Box 189 Minneapolis, MN 55440-0189

DEALER PHONE NUMBERS AND LINKS

Dealer Numbers

Credit Main	855.541.7717
Funding Main	855.976.3299
Funding Fax	800.215.3299
Payoff	855.215.3299

Dealer Links

Chrysler Capital Corporate Site: www.chryslercapital.com

CUSTOMER ACCOUNT INFORMATION

Customer Service

Main Servicing	855.563.5635
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Website

Chrysler Capital MyAccount: www.myaccount.chryslercapital.com

Addresses

Payment	Correspondence
Chrysler Capital	Chrysler Capital
P.O. Box 660335	P.O. Box 961279
Dallas, TX 75266-0335	Ft. Worth, TX 76161

This overview is intended to address the majority of questions dealership personnel might have regarding our policies and conducting business with Chrysler Capital. Other points of reference regarding our policies include your Chrysler Capital Dealer Agreement, the Reference Guide and www.chryslercapital.com