

PRESS RELEASE

BETTER FINANCE Advocates for Fair Investor Redress: The Case of Fiat Chrysler (now Stellantis)

Brussels, 28 January 2025 – BETTER FINANCE stands for a level playing field for all investors, advocating for stronger collective redress mechanisms for investors across Europe. A particularly striking case that underscores the current inadequacies in investor compensation mechanisms within the European Union is the emissions scandal involving Fiat Chrysler Automobiles N.V. (FCA), now part of Stellantis.

Background of the Case

Between 2014 and 2017, Fiat Chrysler was embroiled in a scandal involving the installation of illegal software in its vehicles to manipulate emissions tests. These so-called “defeat devices” enabled the company to pass regulatory tests while emitting pollutants far above legal limits under normal driving conditions. This deception not only misled environmental regulators but also defrauded investors, who were led to believe that the company was compliant with emissions regulations and ethical business standards.

As the truth about the emissions fraud emerged, FCA’s stock price plummeted, causing significant financial losses for shareholders. This scandal mirrored the earlier and widely publicised Volkswagen emissions case, once again demonstrating the serious financial repercussions that corporate misconduct can have on investors.

The U.S. Settlement

In response to these allegations, a class-action lawsuit was launched in the United States, where affected investors sought compensation for the financial damage they incurred due to Fiat Chrysler’s fraudulent activities. After years of legal proceedings, a \$110 million settlement was reached in 2019, ensuring that U.S.-based investors who had purchased FCA shares through American stock exchanges received appropriate financial redress.

Lack of Redress for European Investors (so far)

In stark contrast, investors who acquired FCA shares via the Milan stock exchange during the same period have not yet received compensation. Despite being equally misled and suffering financial harm, these European investors have faced significant obstacles in their pursuit of redress.

To address this injustice, the Fiat Chrysler Investors Recovery Stichting (FCIRS), a Netherlands-based non-profit foundation, has taken up the cause of these investors. The foundation is organising a collective action to hold FCA accountable and secure compensation for affected shareholders, working on a “no cure, no pay” basis, meaning investors do not have to pay to join the action. BETTER FINANCE encourages all investors who acquired FCA shares (directly or indirectly) through the Milan stock exchange during the affected period to visit the FCIRS website for more information on the action and consider joining it. For further details, visit:

<https://www.fiatchryslerinvestorsrecovery.com/>

Why the EU Must Strengthen Investor Protection

This case highlights a broader and deeply concerning issue: the European Union's investor protection mechanisms are grossly inadequate. The fact that American investors were compensated years ago while their European counterparts continue to wait for justice illustrates a fundamental imbalance.

Such disparities not only undermine confidence in European capital markets but also raise questions about their competitiveness. If investors face significantly weaker protections and greater difficulty obtaining redress in Europe compared to the United States, they may be deterred from investing in EU-listed companies. This, in turn, could lead to a long-term disadvantage for European financial markets, limiting their attractiveness and growth potential.

BETTER FINANCE's Commitment to Fair Investor Redress

BETTER FINANCE remains steadfast in its commitment to ensuring that all investors—regardless of where they purchased their shares—receive fair and equal treatment under the law. The Fiat Chrysler case is a prime example of the urgent need for a more efficient and robust collective redress system within the European Union, which includes redress for investors (so far excluded from EU initiatives on redress).

We call on policymakers and regulators to take action to allow EU citizens as savers and investors the ability to better stand up for their rights. Only through meaningful reform can the EU create a truly competitive and fair capital market that inspires confidence among retail and institutional investors alike.

BETTER FINANCE will continue to advocate for a more just and equitable financial system—because investors deserve fair treatment, no matter where they are.

Join Our Virtual Press Conference

To further discuss this critical issue and inform the public about available avenues for investor redress, [BETTER FINANCE](#) and [New Savers](#) invite you to a virtual press conference on **12 February 2025 at 11:00 CET**. This event will provide key insights into the Fiat Chrysler case, the challenges facing European investors in seeking compensation, and the urgent need for stronger investor protection mechanisms within the EU. Join us to learn more and engage in this important conversation. For registration details, please visit: <https://bit.ly/pc-collective-redress>.

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