Extract from the agenda of the 2nd Annual Meeting of DaimlerChrysler held on April 19, 2000 regarding stock option plan.

The 2nd Annual Meeting took place at the International Congress Center (ICC), Messedamm 22, 14055 Berlin, Germany. The invitation and the agenda were published in Issue 43 of the Federal Gazette of March 2, 2000.

Repetition of agenda item :

8. Resolution on Authorization to Grant Stock Options and Create Conditional Capital to Service DaimlerChrysler's Stock Option Plan and Amendment of the Articles of Association

The Board of Management and Supervisory Board propose that the following resolution be passed:

a) Authorization to Grant Stock Options:

The Company's Board of Management is authorized to set up a stock option plan and grant option rights for up to 96,000,000 of the Company's shares with a maturity of up to ten years for the individuals included in one of the personnel categories referred to in point 1 below, effective until April 18, 2005. The Company's stockholders will not be eligible to receive any subscription rights. Banks will also be able to acquire these stock options on the condition that they can be sold only on the Company's instructions to the individuals included in point 1 below; in such cases too, only those qualifying individuals will be able to exercise the options. Fulfillment of exercised option rights can be carried out at the Company's discretion, either by applying the conditional capital as proposed for resolution under point lit. b) below, or with the Company's own shares in accordance with proposed Item 10 of the agenda, or possible future resolutions on entitlement to acquire the Company's own stock. The granting of options to subscribe for shares in the Company and to issue these shares will be carried out in accordance with the following rules:

(1) Qualifying Individuals

Individuals are entitled to acquire stock options and to subscribe for shares in the Company if they belong to one of the following groups:

a) Members of the Company's Board of Management;

b) Company employees in senior management positions who are either in management levels C, 1, 2 or 3 of the Company or are in salary bands 97 through 94 of the Company or the future management levels and salary bands corresponding to these management levels;

c) Senior management of domestic or foreign entities that are affiliated with the Company on the basis of § 15 ff. of the German Public Companies Act (hereinafter known as "affiliated companies"), who are either in management levels C, 1, 2 or 3 of the Company or are in salary bands 97 through 94 of the Company or in management levels or salary bands in the affiliated companies that either now correspond with these or may do so in future;

d) Employees of affiliated domestic or foreign companies who are in senior management positions that correspond to either management levels C, 1, 2 or 3 of the Company or salary bands 97 through 94 of the Company either now or in the future, or in management levels or in salary bands that will in future be equivalent in the affiliated companies.

The Company's Board of Management will determine the precise range of qualifying individuals and the range of stock options to be granted to each range. The exception is that the Company's Supervisory Board will determine these rules as far as the Company's Board of Management is concerned, irrespective of whether the option entitlement is fulfilled by applying the conditional capital or through the Company's own shares.

The overall volume of options will be distributed as follows among the qualifying groups of individuals:

15 % for members of the Company's Board of Management
29 % for employees of the Company
13 % for senior management of affiliated companies
43 % for employees of affiliated companies.

Members of the Company's Board of Management and senior management of affiliated companies as well as employees of the Company or affiliated companies eligible to acquire options, who are also members of the senior management of one or more affiliated companies, shall be granted options only once. Namely, either as members of the Company's Board of Management or as members of the senior management of an affiliated company or as employees of the Company or the affiliated company and in each case only from the options allocated for the group of qualifying individuals.

(2) Right to Subscribe for Shares

Each stock option entitles the bearer to receive one registered share of common stock in the Company in return for payment of the exercise price in accordance with point 4.

(3) Acquisition Periods

Stock options will be issued to the qualifying individuals only in the respective three month period following the date of the meeting of the Supervisory Board Presidium of the company held in the first quarter of each year (hereinafter known as the "issue date"). In the context of the total amount allocated, the plan provides that stock options shall be issued in no less than three annual lots under the proviso that no single lot may account for more than 40% of the total number of options.

(4) Exercise Price and Profit Target

The exercise price for acquiring shares in the Company will be guided by the average opening and closing prices of DaimlerChrysler stock in Xetra trading (or a successor system comparable in terms of its function that assumes the role of the Xetra system) on the Frankfurt Stock Exchange on the day before the meeting of the Supervisory Board Presidium in the first quarter of each year, in which the stockbased components of the remuneration for the Members of the Board of Management are approved (hereinafter referred to as the "reference price"), but not less than the portion of capital stock allocable to one share of stock, plus a premium of 20% on the reference price as the profit target (the reference price plus premium hereinafter being known as the "exercise price").

(5) Adjustment in the Event of Capital Measures

If during the term of the stock options the company increases its capital stock, or sells own shares or issues new convertible bonds with attached warrants or option rights in connection with the granting of direct or indirect purchase rights to its shareholders, the exercise price will be adjusted in accordance with the option terms. A price adjustment will be undertaken if the qualifying individual is provided with any direct or indirect purchasing rights for the new stock, own shares, or new convertible bonds which would make it appear as if they had already exercised the option. Moreover, the option terms could require an adjustment of the option rights in the event of a capital increase from corporate funds, or a capital reduction, in the event of a stock split and pooling of stock as well as in the event of premiums and nonrecurrent distributions in cash and / or in kind according to the trading customs at the German and international forward markets. Section 9, para. 1 the German Public Companies Act remains standing.

(6) Exercise Periods and Waiting Periods

Fifty percent of the options issued to each qualifying individual may be exercised only after at least two years following the issue date. The remaining 50% of the options issued to each qualifying individual may be exercised only after at least three years following the issue date.

After the expiration of the abovementioned waiting periods, the stock options can be exercised at any time except during the following periods:

from December 15 through 31 of each year;

in the period following the last day on which stockholders can register their attendance of the General Meeting of the Shareholders through to the third bank business day in Frankfurt am Main following the respective Shareholders Meeting;

in the period the day of release of a subscription offer of new shares or of debentures with a conversion right or option on shares in the Company in an official publication of the Frankfurt Stock Exchange through to the day on which the subscription period ends.

(7) Individual Rights

The stock options can be exercised only by the qualifying individual. this also applies if the stock options are taken over by a credit institution under the obligation to transfer the options to the qualifying individuals in accordance with instructions provided by the company. No powers of disposal over the options can be assigned, and the options are nontransferable. However, the stock options are inheritable. The stock options can be exercised only if the qualifying individual has an active employment relationship with the company or affiliated company. Discrepant from this, the option terms can be designed to contain special provisions for the event of the death or retirement of the qualifying individual, or upon the termination of employment or service with the company or affiliated company in another nonseverancerelated fashion, or upon the separation of the affiliated company from the DaimlerChrysler Group.

(8) Settlement of Details

The Board of Management is authorized to stipulate the further details relating to the issue of stock shares from the conditional capital and the further conditions of the stock option plan including the stock option terms for the qualifying groups of individuals. Conversely, the Supervisory Board shall make the decision for the members of the Management Board members. The said further details include, in particular, the allocation of option rights within the qualifying groups of individuals, the issue date within the specified period, the procedure for the allocation to individual qualifying groups of individuals and the exercising of option rights as well as other procedural matters.

b) Conditional Capital

The company's share capital will be increased conditionally by up to EUR 249,600,000 through the issue of up to 96,000,000 new registered shares in the company. These shares will be eligible to participate in the distribution of profits from the beginning of the financial year in which they were issued (conditional capital VI).

The conditional capital shall be used to fulfil exercised option rights arising from stock options granted up to April 18, 2005 on the basis of the authorization given by the Shareholders' Meeting on April 19, 2000 pursuant to point 1) above. The conditional increase in capital will only be implemented to the extent that the stock options are exercised and the holders of these stock options exercise their right to subscribe to shares in the company and the company does not provide its own shares in order to fulfil the option rights. Shares from the conditional capital will be issued at the exercise price determined in accordance with point a) 4.

c) Amendment of the Articles of Association

The following paragraph 5 shall be added to § 3 of the Articles of Association (share capital):
"The share capital will be increased conditionally by up to EUR 249,600,000 through the issue of up to 96,000,000 new registered shares in the company (conditional capital VI). The conditional increase in capital will only be implemented to the extent that the holders of stock options issued by DaimlerChrysler AG by April 18, 2005 on the basis of the authorization resolution passed by the Shareholders' Meeting of April 19, 2000 actually exercise their option right and the company does not provide its own shares in order to fulfil the option rights. The new shares will participate in the distribution of profits from the beginning of the financial year in which they are issued."

Extract from:

Report of Board of Management to the Shareholders Regarding Agenda Items 7, 8, and 9 pursuant to section 221 subsection 4, 186 subsection 3 sent. 4, subsection 4 sent. 2 of the German Stock Corporation Act and section 71 subsection 1 no. 8 in conjunction with section 186 subsection 3 sent. 4, subsection 4 sent. 2 of the German Stock Corporation Act

b) Report on Agenda Item 8 (resolution on the creation of conditional capital to service the DaimlerChrysler Stock Option Plan and amendment to Articles of Association):

The issuing of stock options has already become a common component of remuneration packages for managers in Germany and particularly for the DaimlerChrysler Group an important factor in the worldwide competition for management staff. The Board of Management and the Supervisory Board are convinced that the stock option plan is an urgent priority in order that the companies within the DaimlerChrysler Group are able to maintain their particular attractiveness to highly qualified management staff. The equitybased component of the remuneration package promotes and emphasizes the orientation of management staff towards the corporate strategy as well as management's obligation to the overall economic development of the Group. The provision of stock options for management staff creates a special performance incentive which is measured against the value of the company as reflected in the price of DaimlerChrysler shares, with the aim of increasing that value. This brings the interests of management in line with the interests of the company's shareholders, i.e. increasing the value of the company.

The Board of Management and the Supervisory Board therefore propose making the necessary arrangements in order to be able to issue stock options with subscription rights to up to 96,000,000 shares in DaimlerChrysler AG in the period up to April 18, 2005 within the context of the DaimlerChrysler stock option plan. This volume is necessary in order to be able to offer the qualifying groups of individuals a competitive remuneration package in future which is in line with the prevailing market conditions. In the USA, in particular, equitybased remuneration has long since become a fixed and important component of the overall remuneration package for management staff.

In detail, the proposal for the DaimlerChrysler stock option plan envisages the following:

(1) The stock options are exclusively for the purpose of subscription by members of the Board of Management and other management staff of the Company as well as members of the Management Boards and other management staff of affiliated companies in Germany and abroad.

The maximum percentage of the overall volume that can be granted to members of the Company's Board of Management is 15 %, the maximum figure for other management staff of the company is 29 %, the maximum figure for members of the Management Boards of affiliated companies is 13 %, and the maximum figure for other management staff of affiliated companies is 43 %. The decision on the issuing of stock options to members of the Company's Board of Management lies solely with the Supervisory Board. In all other respects, the Company's Board of Management is responsible for the issuing of stock options to management staff of the Company as well as to members of the Management Boards and other management staff of affiliated companies, in accordance with the authorization granted by the shareholders' meeting. In respect of members of the Management Boards of affiliated companies this applies subject to any resolutions passed by executive bodies of the individual companies concerned. The inclusion of members of the Management Boards and other management staff of the affiliated companies in the stock option plan is justified and appropriate on the grounds of obligating all these individuals to pursue the commercial success of the Group as a whole.

In order to facilitate the administration of the plan, it should be made possible for stock options to be transferred to a bank, which is then obliged to transfer them to the qualifying individuals on the instructions of the Company, as with the indirect subscription right pursuant to § 186 (5) AktG. The said qualifying individuals have the exclusive right to exercise the subscription rights.

(2) Each stock option should embody the right to subscribe one share in the Company, subject to the proviso that the Company may choose to exercise the option right by making its own shares available instead of issuing new shares from the conditional capital in order to counteract the possible dilution associated with an increase in the share capital. With regard to point 9 b) of the agenda, the Board of Management and the Supervisory Board propose the creation of the appropriate conditional capital and with regard to item8 of the agenda, the authorization to purchase the Company's own shares which can also be used to finance the stock option plan.

(3) Each tranche of stock options should be issued within a period of three months after the date of the meeting of the Supervisory Board Presidium of the Company held in the first quarter of each year. The total volume should be issued in at least three annual tranches, whereby none of the individual tranches should account for more than 40% of the total volume. On the basis of our current knowledge, it is to be assumed that the annual tranche to be issued in the year 2000 will encompass 17,500,000 stock options.

(4) Each stock option shall authorize the holder to subscribe one share against payment of the exercise price, which is derived from the reference price plus a markup of 20%. The reference price shall be determined as the average of the opening and closing price of DaimlerChrysler shares in Xetra trading at the Frankfurt Stock Exchange on the day before the Meeting of the Supervisory Board Presidium held in the first quarter of each year, which approves the stockbased component of the remuneration of the Board of Management of the Company. This year´s meeting of the Supervisory Board Presidium was held on February 25. Therefore, February 24th was the measurement date used in the determination of the reference price for the first tranche of the plan, which is to be allocated in the year 2000 pending the approval of the General Meeting of the Shareholders. The purpose of the 20% markup which is to be paid on top of the reference price is to ensure that it is only economical to exercise the option when the market price of DaimlerChrysler shares has risen 20% above the share price used to determine the reference price. This means that the stock option plan meets the statutory requirement of setting a performance target when issuing stock options. The Board of Management and the Supervisory Board have examined whether it would be preferable instead to set up hurdles to the exercising of stock options which are linked to indexbased, performancerelated goals or to fixed share price targets. However, due to the associated impact on the Group accounts prepared in accordance with USGAAP, these structures would have been less advantageous because they would have resulted in the reporting of personnel expenses in the consolidated income statement and a subsequent reduction in profit. This would have created a significant competitive disadvantage, particularly in comparison with competitors in the United States of America (USA). The vast majority of companies presenting financial statements in the USA apply the standards of the Financial Accounting Standards Board (FASB) which, under certain conditions when setting up a stock option plan, avoid the need for reporting of personnel expenses in the consolidated income statement and the subsequent reduction in profit. These stock option plans do not contain any hurdles to the exercising of the subscription rights. Under US GAAP, in order to avoid having to state personnel expenses in the consolidated income statement with the associated reduction in profit when setting up a stock option plan, the plan must not be structured as a socalled variable plan. This requires, amongother things, that at the time the option rights are issued, it must be certain that it is actually possible to exercise the option rights up to the time of their respective maturity. This requirement is deemed not to have been met if hurdles to the exercising of subscription rights have been set, which are linked to the attainment of certain performance thresholds or a fixed share price target. In contrast, the proposed structuring of the stock option plan takes due account of the US GAAP provisions in that the performance target is set by fixing the exercise price accordingly. However, the case can arise that incomereducing personnel expenses are required to be reported for the period between the measurement date of the reference price and the respective "measurement date" (which under US GAAP is the date on which the reference price and number of allocable option rights are approved by resolution of the General Meeting of the Shareholders. The incentive effect which this creates is ultimately the same as that which can be achieved by setting a rigid exercising hurdle that is linked to the share price, because the qualifying individual will always have to pay the exercise price (reference price plus markup of 20%) when exercising the stock option. This means that he or she would incur a loss if exercising the stock option when the market price is below the exercise price, whilst the Company would benefit from the full amount of the exercise price. The option rights are therefore not feasibly going to be exercised before the market price exceeds the reference price by at least 20%.

The stock options described above are part of the overall remuneration packages of the qualifying individuals, which encompass performance and profitrelated variable remuneration alongside the basic remuneration. This should also include an element of remuneration that is linked to the increase in share price. This element of remuneration is described in outline below, although it does not legally require the consent of the shareholders' meeting. Each qualifying individual shall be granted the right to claim payment of the difference between the exercise price and the reference price. This right is subject to the requirements that the qualifying individual is exercising the respective subscription right from the share options allocated to him or her and that at that point in time the market price of DaimlerChrysler shares is at least 20% higher than the share price on which the reference price is based, i.e. the share price has reached at least the level of the exercise price. This type of variable remuneration is intended to create a further incentive for the qualifying individuals to work toward a tangible increase in the value of the company, as reflected in the price of DaimlerChrysler shares.

(5) The option rights arising from the stock options may only be exercised at the end of a waiting period, which is two years from the issue date for 50% of the stock options allocated to a qualifying individual and three years for the remaining 50%. The stock options are not transferable and may only be exercised by the qualifying person him or herself. In addition, it is a fundamental precondition of exercising the rights that the qualifying individual is still in the employment of the Company or an affiliated company of the Company. Alternative provisions may be made in exceptional cases (death, retirement etc.). This ties the qualifying individuals to the company and ensures that the performance incentive which the allocation of stock options is intended to create actually accrues to the benefit of the Company.

(6) Appropriate measures will be taken to ensure compliance with statutory provisions relating to unlawful insider trading.

(7) The Board of Management and, in so far as members of the Board of Management are to receive stock options, the Supervisory Board shall be responsible for defining all further details and conditions of the stock option plan.

(8) Conditional capital of EUR 249,600,000, divided into 96,000,000 shares is to be created in order to secure the option rights arising from the stock options. In addition, the proposed resolution also envisages the option of allocating the Company's own shares to the qualifying individual in order to fulfil the option rights. The conditional capital will not be drawn upon to the extent that use is made of this option. The conditional capital of EUR 249,600,000 is equivalent to 9.7% of the share capital as at December 31, 1999. Thus, taking into account the conditional capital for the financing of option rights still outstanding from the 1996 stock option plan, a total of less than 10% of the share capital is reserved for qualifying individuals in the stock option plans in the form of conditional capital. The Board of Management and the Supervisory Board consider this figure to be justified in view of the number of qualifying individuals, the term of the stock options and positive impact which the stock option plan is expected to have. This still applies after taking into consideration the dilution effect, which would occur when the conditional capital is drawn upon. As a result of the increase in shareholder value associated with the incentives provided by the plan this effect is relatively slight.

It is the conviction of the Board of Management and the Supervisory Board that the proposed stock option plan is particularly well suited to creating an enduring performance incentive for the management staff of the Company and other companies within the Group and will thus contribute to achieving a significant increase in the enterprise value of the Company in the interests of the Company and its shareholders.