COMPENDIUM OF EXHIBITS FOR MOTION FOR SUMMARY JUDGMENT FILED BY GENERAL MOTORS LLC

EXHIBIT A

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re	:	**Chapter 11 Case No.**
GENERAL MOTORS CORP., *et al.*,	:	**09- _____ ( )**
Debtors.	:	**(Jointly Administered)**

AFFIDAVIT OF FREDERICK A. HENDERSON
PURSUANT TO LOCAL BANKRUPTCY RULE 1007-2

STATE OF NEW YORK)
) ss:
COUNTY OF NEW YORK)

Frederick A. Henderson, being duly sworn, hereby deposes and says:

1. I am the President, Chief Executive Officer, and a Director of General Motors Corporation, a Delaware corporation ("GM"), which together with its wholly-owned direct subsidiaries, Chevrolet-Saturn of Harlem, Inc. ("Chevrolet-Saturn") and Saturn, LLC ("Saturn"), and GM's wholly-owned indirect subsidiary Saturn Distribution Corporation ("Saturn Distribution"), are the debtors in the above-captioned chapter 11 cases (collectively, the "Debtors"). I submit this affidavit (the "Affidavit") pursuant to Rule 1007-2 of the Local Bankruptcy Rules for the Southern District of New York (the "Local Rules") to assist the Court and other parties in interest in understanding the circumstances that compelled the commencement of these chapter 11 cases and in support of (i) the Debtors' petitions for relief under chapter 11 of title 11, United States Code (the "Bankruptcy Code"), filed on the date hereof (the "Commencement Date"), (ii) the relief requested in the motions and applications that the Debtors have filed with the Court, including, but not limited to, the "first day motions," and

(iii) the motion (the "363 Motion") pursuant to sections 105(a), 363, and 365 of the Bankruptcy Code to approve, among other things, the sale of substantially all the Debtors' assets and the assumption and assignment of certain executory contracts and unexpired leases of personal property and nonresidential real property (collectively, the "Leases") to Vehicle Acquisition Holdings LLC (the "363 Transaction").

2. I have been employed by GM (or one of its affiliates) for nearly 25 years. I joined GM as a senior analyst in 1984 in the Treasurer's Office after receiving my B.B.A. from the University of Michigan, my CPA license, and my M.B.A. from Harvard Business School. Since that time, I have held positions of increasing and significant financial and operational responsibility in GM's domestic and international operations. As a result, I have first-hand experience and insight regarding the entire GM enterprise, the many issues now confronting GM, and the urgent relief that is now requested to save GM.

3. In 1989, I became GM's Director of Mortgage Banking and, thereafter, from 1992 to 1994, I was GMAC Group Vice President of Finance. From 1994 to 1996, I was Executive in Charge of Operations for the former Automotive Components Group in Pontiac, Michigan. Subsequently, in 1996, I became GM's Vice President and General Manager of Delphi Saginaw and continued in that position until 1997, when I was appointed GM's Vice President and Managing Director of GM do Brazil, with responsibilities for GM's operations in Brazil, Argentina, Paraguay, and Uruguay. In June 2000, I was appointed Group Vice President and President of GM Latin America, Africa and Middle East (LAAM). From January 2002 to early 2004, I was President of GM Asia Pacific. In 2004, I assumed responsibility for GM's European operations as GM's Group Vice President and Chairman of GM Europe. In January 2006, I was appointed GM's Vice Chairman and Chief Financial Officer, and in March 2008, I

was appointed GM's President and Chief Operating Officer, which position I held until being appointed to my current position. I am familiar with and involved in the day-to-day operations, businesses, and financial affairs of the Debtors.

4. Except as otherwise indicated, all facts set forth in this Affidavit are based upon my personal knowledge, my discussions with other members of GM's senior management, my review of relevant documents, or my opinion based upon my extensive personal experience, knowledge, and information concerning GM's worldwide operations and financial affairs and the automotive industry. If called upon to testify, I would testify competently to the facts set forth in this Affidavit. I am authorized to submit this Affidavit on behalf of GM.

5. The Debtors have filed the 363 Motion because there simply is *no* viable alternative to the 363 Transaction to preserve the going concern value of the GM business and the employment opportunities and related benefits of that business. There is no other sale, or even other potential purchasers, present or on the horizon. There is no other source for debtor in possession ("DIP") financing even under the expedited process that is a condition to the instant proposal, let alone under a traditional chapter 11 process. In the face of the global meltdown of the financial markets, and a liquidity crisis unprecedented in GM's 100 year history, there is only one way to maximize the value and permit the survival of GM's business and save hundreds of thousands of jobs associated with not only GM, but also its vast supplier and dealer networks: these chapter 11 cases and the prompt approval of the 363 Transaction. The only other alternative is the liquidation of the Debtors' assets that would (i) substantially diminish the value of GM's business and assets, (ii) throw hundreds of thousands of persons out of work and cause the termination of health benefits and jeopardize retirement benefits for current and former employees and their families; (iii) benefit no interested economic stakeholder, and (iv) yield

noteholders and other unsecured creditors no recovery. Approval of the 363 Transaction must be prompt in order to accomplish its goals – to sell substantially all the assets of the Debtors as a going concern to a purchaser sponsored by the United States Department of the Treasury (the "U.S. Treasury") that will assure the ongoing operation of a competitive and profitable automotive company.

6. Sections I through IV of this Affidavit describe the nature of GM's business; the events that led to the commencement of these chapter 11 cases; the rationale for and structure of the proposed 363 Transaction (including the urgent need for its expeditious consummation); and the capital structure of the Debtors. Section V identifies the attached schedules of information required by Local Bankruptcy Rule 1007-2.

I.

Overview

7. For over one hundred years, GM and its approximately 463 direct and indirect wholly-owned subsidiaries (collectively, the "Company"), have been a major component of the United States manufacturing and industrial base, as well as the market leader in the United States automotive industry. GM has employed -- and provided health and retirement benefits to -- millions of dedicated workers over the years. Both directly and as a customer of literally thousands of businesses that supply GM, the Company played a significant role in the development of a strong middle class in the United States. The Company has been a source of pride for generations of American workers whose hard work and creativity helped fuel GM's global expansion as a full line manufacturer of cars, trucks, and related products. GM has also been instrumental in the United States becoming the world's major economic force.

8. William C. Durant founded General Motors in 1908 to implement his vision of one company growing through the creation and management of multiple automotive brands. GM began as a holding company for Buick Motor Company and, by 1916, the Company's brands included Chevrolet, Pontiac (then known as Oakland), GMC, Oldsmobile, and Cadillac. Under Mr. Durant's successor, Alfred P. Sloan, Jr., GM adopted the groundbreaking strategy of "a car for every purse and purpose," which revolutionized the automotive market by dividing it into distinct price segments, ranging from low-priced to luxury automobiles.

9. Over the past century, the Company grew into a worldwide leader in products and services related to the development, manufacture, and marketing of cars and trucks under various brands, including: Buick, Cadillac, Chevrolet, Daewoo, GMC, Holden, HUMMER, Opel, Pontiac, Saab,[1] Saturn, Vauxhall, and Wuling. The Company has produced nearly 450 million vehicles globally and operates in virtually every country in the world.

10. Recent events, however -- including both international competitive forces and the worldwide recession that has resulted in an economic contraction and dislocation not seen since the 1930s -- have led to the dramatic financial distress of the world's largest automotive company. GM's shares of common stock have declined from $93.62 per share as of April 28, 2000 to $1.09 per share as of May 15, 2009, resulting in a dramatic decrease in market capitalization by approximately $59.5 billion. Sales of GM's products have dropped as its market share in the largest single market for the Company's products -- the United States -- has steadily declined as the automobile market was flooded with imports from foreign Original Equipment Manufactures ("OEMs") with far lower cost structures and dramatically lower legacy

[1] As a result of the global economic crisis and its effect on the automotive industry, Saab commenced reorganization proceedings in Sweden in February 2009.

benefit obligations. For example, GM's United States market share fell from 45% in 1980 to 22% in 2008, and its market share forecast for 2009 is 19.5%.

11. Most recently, GM's sales have been materially affected by the overall decline in domestic automobile sales, which continued unabated given the deteriorating economy and financial markets. The Seasonally Adjusted Annual Rate ("SAAR") of automobile sales for the United States industry declined from 15.6 million units in January 2008 to 9.8 million units in January 2009, which is the lowest level since 1982. This affected all domestic OEMs, but GM in particular. For the fourth quarter of 2008, GM's domestic automobile sales were down 36% compared to the corresponding period in 2007. For the first quarter of 2009, GM's domestic automobile sales dropped by 49% compared to the corresponding period in 2008.

12. By the fall of 2008, the Company was in the midst of a severe liquidity crisis, and its ability to continue operations grew more and more uncertain with each passing day. The Company previously had recognized the need for bold action to modify and transform its operations and balance sheet to create a leaner, more efficient, productive, and profitable business; and it had expended a tremendous amount of resources and effort, on operational, strategic partnering, and financial fronts, to accomplish this task. Unfortunately, because of the continuing and deepening recession, aggravated by the collapse of Lehman Brothers Holdings Inc. ("Lehman") on September 15, 2008, GM was not able to achieve its objective.

13. As a result of the economic crisis, in November 2008, the Company was compelled to seek financial assistance from the Federal Government. The government understood the draconian consequences of a failure and of a GM collapse. The government also recognized the likelihood of systemic failure throughout the domestic automotive industry and the significant harm to the overall U.S. economy from the loss of hundreds of thousands of jobs

and the sequential shutdown of hundreds of ancillary businesses if GM had to cease operations. The U.S. Treasury, in late December 2008, provided the necessary financing to temporarily sustain the Company's operations. The U.S. Treasury, however, provided such financing on the express condition that the Company develop a business plan that would fundamentally transform GM (operationally and financially) into a viable and profitable American OEM capable of meeting the competitive and environmental challenges of the 21st century. Thereafter, in March 2009, the U.S. Treasury indicated that, if the Company was unable to complete an effective out-of-court restructuring, it should consider a new, more aggressive viability plan under an expedited Court-supervised process to avoid erosion of asset value.

14. After exploring numerous options, including seeking out potential sources of financing (both public and private) and strategic alliances, it became evident that, in light of the ongoing economic crisis, the Company would not be able to achieve an effective out-of-court restructuring and the only viable option was the 363 Transaction. The Debtors' precarious financial and operational condition has been widely reported in the media on a daily basis for the past few months. It has been widely known, as well, that assets and businesses of the Company have been available for sale, yet no offers have been received at a level necessary to sustain the Company's operations and assure it viability, other than the U.S. Treasury-sponsored 363 Transaction. Indeed, in light of the Company's substantial secured indebtedness totaling approximately $27 billion, the only entity that has the financial wherewithal and is qualified to purchase the assets -- and the only entity that has stepped forward to make such a purchase -- is the U.S. Treasury-sponsored Purchaser. That Purchaser is only willing to proceed in the context of an expedited sale process authorized and approved under the Bankruptcy Code.

15. Equally important, in the context of the 363 Transaction, the U.S. Treasury is willing to provide DIP financing. There are *no* other sources with either the financial wherewithal or willingness to provide such financing. The U.S. Government has stated it will not provide DIP financing absent the 363 Transaction. Without such financing, these cases quickly will plunge into a liquidation, with the concomitant loss of value, employment, and systemic failure necessarily attendant thereto.

16. For these reasons, the 363 Transaction, as embodied in the proposed Master Sale and Purchase Agreement among GM and its Debtor subsidiaries (the "Sellers") and Vehicle Acquisition Holdings LLC (the "Purchaser"), a purchaser sponsored by the U.S. Treasury, dated as of June 1, 2009 (the "MPA"), reflects the good faith business judgment of GM's Board that the 363 Transaction is the best, indeed, the only, viable means to save and carry forward GM's business in a new enterprise ("New GM") that will maximize and realize the going concern value of the Company's assets. The MPA is the product of intense negotiations among the Debtors, the U.S. Government, the Debtors' largest secured creditor, and the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (the "UAW") (on behalf of current and retired employees) -- each of which recognizes the need to maximize the value of the Debtors' operating assets and provide for the continuation of the business. Each of the U.S. Government and the UAW has made significant concessions to enable the sale and to support the viability of the Purchaser. The 363 Transaction: (i) accomplishes the goals of the Company; (ii) prevents the inevitable meltdown of the domestic automotive industry; and (iii) creates an enterprise that will be competitive and profitable. In addition, both the Government of Canada and the Government of Ontario, through Export Development Canada ("EDC"), Canada's export trading agency, have recognized the urgent

need to facilitate the 363 Transaction and have agreed to provide approximately $9 billion in financing to support the long-term viability of GM's North American operations. The 363 Transaction will alleviate consumers' concerns about residual value, replacement parts, warranty obligations, and maintenance of GM products that are critical to the preservation of the value of the assets. The task is a large one. GM is committed to getting it done, but it must be *expeditiously* accomplished.

17. As part of the 363 Transaction, the Purchaser, and the UAW have reached a resolution addressing the ongoing provision of certain employee and retiree benefits. Under the "UAW Retiree Settlement Agreement," the Purchaser has agreed to provide, among other things: (i) shares of common stock of the Purchaser representing 17.5% of the Purchaser's total outstanding common stock, (ii) a note of the Purchaser in the principal amount of $2.5 billion, (iii) shares of cumulative perpetual preferred stock of the Purchaser in the amount of $6.5 billion, (iv) warrants to acquire 2.5% of the Purchaser's equity, and (v) the assets held in a voluntary employees' beneficiary association trust sponsored by the Sellers and to be transferred to the Purchaser as part of the 363 Transaction, in each case to a new voluntary employees' beneficiary association sponsored by an employees beneficiary association (the "New VEBA"), which will have the obligation to fund certain retiree medical benefits for the Debtors' retirees and surviving spouses represented by the UAW (the "UAW-Represented Retirees").

18. In connection with the foregoing, the UAW has agreed to be the authorized representative for UAW-Represented Retirees for purposes of section 1114 of the Bankruptcy Code and will enter into the UAW Retiree Settlement Agreement effective upon the closing of the 363 Transaction. The class representatives on behalf of the class members, by and through class counsel in certain class actions previously filed against GM on behalf of UAW-

Represented Retirees regarding retiree health care benefits (the "Class Representatives") have acknowledged and confirmed the UAW Retiree Settlement Agreement. As part of the 363 Transaction, the Purchaser also will assume modified and duly ratified collective bargaining agreements entered into by and between the Debtors and the UAW (the "UAW CBA Assignment").

19. These chapter 11 cases were initiated to preserve the going concern value of the Company's assets and provide for the sale of such assets to the Purchaser to be the anchor for a new era of American automotive innovation and growth. The 363 Transaction will enable New GM to become an engine of opportunity and prosperity for countless Americans. The prompt approval and execution of the 363 Transaction is consistent with President Obama's observation that use of the bankruptcy laws may be the "best chance to make sure that the cars of the future are built where they've always been built -- in Detroit and across the Midwest -- to make America's auto industry in the 21st century what it was in the 20th century -- unsurpassed around the world." Barack H. Obama, U.S. President, Remarks on the American Automotive Industry at 7 (Mar. 30, 2009) [hereinafter *Presidential Remarks*].

II.

The Businesses of General Motors

A. Overview of GM's Business Operations

20. The Company is primarily engaged in the worldwide development, production and marketing of cars, trucks, and parts through four automotive segments: GM North America, GM Europe, GM Latin America/Africa/Mid-East, and GM Asia Pacific. For many years, GM supplied at least one in five vehicles sold in the U.S. It is the largest OEM in the U.S. and the second largest in the world. With global revenues of approximately $181.1

billion in 2007, GM ranked ninth on the 2008 Fortune Global 500 list.[2] In addition, GM's highly-skilled engineering and development personnel designed and manufactured some true automotive icons, including the Corvette, the Camaro, the NorthStar engine, and even the first lunar roving vehicle driven on the moon. GM continues as a leading global technology innovator. Currently, it is setting the automotive industry standard for "green" manufacturing methods and products, flexible fuels, and multimode hybrid systems.

21. GM maintains its executive offices in Detroit, Michigan, and its major financial and treasury operations in New York, New York.

22. Substantially all of GM's worldwide car and truck deliveries (totaling 8.4 million vehicles in 2008) are marketed through independent retail dealers or distributors. In addition to the products sold to dealers for consumer retail sales, GM sells cars and trucks to fleet customers, including rental car companies, commercial fleet companies, leasing companies, and governmental units.

23. As of March 31, 2009, GM employed approximately 235,000 employees worldwide, of whom 163,000 (69%) were hourly employees and 72,000 (31%) were salaried employees. Approximately 62,000 (68%) of GM's total of approximately 91,000 U.S. employees were represented by unions as of March 31, 2009. The UAW represents the largest portion of GM's U.S. unionized employees, totaling approximately 61,000 employees.

B. GM's Dealer Network

24. GM relies heavily on its relationships with dealers, as substantially all retail sales are through its unique network of independent retail dealers and distributors. As of April 30, 2009, there were 6,099 GM vehicle dealers throughout the United States. These

[2] Global 500, Fortune, 2008, *available at* http://money.cnn.com/magazines/fortune/global500/2008/.

dealers maintain the primary sales and service interface with consumers of GM's products. As discussed below, the 363 Transaction will allow a substantial majority of the GM dealerships to continue operations while providing a significant "wind-down" period for terminated and discontinued dealers. Dealers represent the "face" of GM to its consumers -- not only selling new cars, but also providing service and parts for vehicle maintenance and a market for trade-ins of used vehicles in connection with new vehicle purchases. Continuation of quality dealers is an essential element of the 363 Transaction and of the preservation and viability of the Company's business.

C. GM's Suppliers

25. As the nation's largest automobile manufacturer, GM uses the services of thousands of suppliers resulting in approximately $50 billion in annual supplier payments. In North America alone, GM uses a network of approximately 11,500 suppliers. In addition, there are over 600 suppliers whose sales to GM represent over 30% of their annual revenues. As such, it cannot be overstated that many automotive parts suppliers depend -- either in whole or in part -- on GM for survival.

26. Of equal importance is the Company's reliance on its suppliers. Approximately 75 to 85% of every GM automobile consists of components made by companies other than GM. Any interruption of the flow of such components -- even a temporary one -- would be devastating to the Company. Consistent with industry practice, GM operates on a "just-in-time" inventory delivery system. Component parts from numerous suppliers typically are assembled onto vehicles within a few hours of the delivery of the parts and components to GM assembly facilities. Consequently, if even one supplier were to cease shipping production parts and components to GM, the GM plants relying on such shipments would be materially and

adversely affected and may be forced to shut down. Moreover, as explained below, there would be no way to obtain replacement parts within a reasonable time period.

27. Specifically, most parts that a given supplier manufactures for GM are not readily available from alternate sources because of, among other things, (i) capacity constraints within the automotive parts supply industry (including the practice of "sole source suppliers" of many parts and components), (ii) the significant length of time (up to 36 months) it takes to validate safety and environmental regulatory compliance of a new supplier's parts, and (iii) the lead time required to develop and build tools for manufacture of particular parts. As an example, Delphi Corporation ("Delphi"), which is struggling as a debtor in possession in a chapter 11 case pending in this Court, currently provides over 60% of GM's North American steering columns -- almost three million per year. That volume simply cannot be replaced quickly as there is not currently enough excess capacity to accommodate GM's needs or time to validate the parts. The Delphi situation confirms the critical implications to the Debtors of a shutdown of a major supplier.

D. GM Is at the Forefront in Technology and Environmental Advances

28. Energy diversity and fuel economy leadership are material elements of GM's overall business plan. The Company's historic success has been enhanced by its innovative approach to developing an alternative propulsion strategy. From developing plug-in hybrids, lithium-ion battery technology, and clean burning alternative diesel fuels to stability control and the OnStar in-vehicle safety, security, navigation, and communication system, GM has been, and continues to be, in the forefront of the technology revolution. It is one of the largest and most successful investors in automotive research and development in the United States. The Company has a variety of innovations on the path to commercialization that are directly relevant to national goals of energy efficiency, energy independence, and safety. GM is

a world leader in flex fuel technology, with more than 5 million biofuel capable vehicles on the road today. It is working hard to develop next-generation biofuels, such as cellulosic ethanol and biodiesel, which can be sustainably produced. GM has introduced a number of hybrid vehicles that meet a variety of consumer needs in terms of fuel efficiency and performance. Indeed, GM offers twenty models which achieve thirty miles per gallon or more on the highway -- more than any other manufacturer. In addition, GM is fully committed to improving vehicle fuel economy and lowering greenhouse gas emissions consistent with the new Corporate Average Fleet Economy standards announced by President Obama on May 19, 2009.

E. GM's Relationship with the UAW

29. The Company has tried to reduce the costs of healthcare benefits for its employees, but these costs continue to substantially escalate. The Company has used trusts qualified as voluntary employee beneficiary associations under section 501(c)(9) of the Internal Revenue Code of 1986, as amended, and sponsored by the Company or a union (each, a "VEBA"), as a funding vehicle to hold reserves to meet its future obligations to provide healthcare and life insurance benefits ("OPEB") under certain benefit plans to its salaried and hourly employees upon retirement.

30. To restructure its retiree healthcare liability, in 2006 GM negotiated a settlement of a legal dispute regarding retiree medical benefits with the UAW and the Class Representatives (the "2006 UAW Settlement Agreement"), under which the Company significantly reduced its OPEB liabilities for healthcare benefits for existing UAW retirees but agreed to continue to provide benefits under an amended GM sponsored retiree health care benefit plan (the "2005 Benefit Plan"). Under the 2006 UAW Settlement Agreement, the Company also agreed to mitigate the cost to retirees of the 2005 Benefit Plan by funding a new,

independent VEBA (the "2005 UAW VEBA") through three $1 billion contributions to be made by the Company into the 2005 UAW VEBA.

31. In 2007, the Debtors entered into a memorandum of understanding with the UAW, which was superseded by a settlement agreement entered into in February 2008 between GM, the UAW and the Class Representatives (the "2008 UAW Settlement Agreement"), which provided that responsibility for providing retiree healthcare would permanently shift from GM to a new plan that was independent of GM, established and maintained by an employees beneficiary association (the "New Plan") and funded by a VEBA trust established by the 2008 Settlement Agreement (the "VEBA Trust"). Under the 2008 UAW Settlement, the Company will transfer, as of January 1, 2010, its liabilities for healthcare benefits for existing and certain future UAW retirees to the New Plan in exchange for specified contributions aggregating approximately $20.56 billion[3] to be made by the Company into the VEBA Trust (the "2008 UAW VEBA Contribution"). The 2008 UAW Settlement Agreement, therefore, fixed and capped the Company's obligations. Under the 2008 UAW Settlement Agreement, the Company is not responsible for, and does not guarantee, (i) the payment of future benefits to plan participants, (ii) the asset returns of the funds in the VEBA Trust, or (iii) the sufficiency of assets in the VEBA Trust to fully pay the obligations of the New Plan. If the assets of the VEBA Trust are not sufficient to fully fund the obligations of the New Plan, the New Plan will be required to reduce benefits to plan participants.

32. As described below, in the context of the 363 Transaction, New GM will make contributions to the New VEBA, which will have the obligation to fund the UAW retiree health and welfare benefits.

[3] This liability is estimated as the net present value at a 9% discount rate of future contributions, as of January 1, 2009, and excludes approximately $9.4 billion corresponding to the GM Internal VEBA.

F. Financing Services and GMAC

33. GMAC LLC ("GMAC") is a global financial company that provides a range of financial services, including consumer vehicle financing to the Company's customers and automotive dealerships and other commercial financing to the Company's dealers. Historically, GMAC has served as an important source of financing for the Company, its dealers and customers. Related thereto, GM and GMAC are parties to dozens of agreements that govern their longstanding financing and operating relationship. Recently, GMAC accomplished several actions to improve its capital position and access to liquidity, including additional capital investments by the U.S. Treasury. Based on the current economic downturn, crisis in the credit markets and the critical role GMAC plays in GM's vehicle financing activities, the Debtors have an urgent and immediate need to continue their financing and operating agreements and arrangements with GMAC. No alternative source of wholesale dealer financing or retail financing is available to the Debtors to replace, at the levels required, the critical and necessary financing provided by GMAC.

III.

Events Leading to the Commencement Of These Chapter 11 Cases and the 363 Transaction

A. GM's Revenues Erode as Its Market Share Declines

34. Historically, GM has been one of the best performing OEMs in the U.S. market. However, as a result of the development and expansion of strong global competitors with disparate and, often, significantly lower operating and legacy (including retiree) cost structures, the Company's leadership position in the U.S. began to decline. While foreign OEMs enjoyed, among other advantages, lower wages and far lower annual healthcare and benefit costs, the Company's obligation to support pension benefits and provide healthcare and life insurance

benefits (OPEB) for its former employees increased exponentially, even as its revenues eroded because of a drop in market share and the downturn in the national and global economy.

35. In the wake of this increasing competitive pressure, for approximately the past five years, GM has been engaged in an effort to realign its business operations and practices to: (i) improve the consumer appeal, quality, safety, and fuel efficiency of its cars and trucks; (ii) achieve cost competitiveness and advantages in labor, manufacturing, product development, procurement, and staff functions; and (iii) address GM's huge legacy cost burden (which has cost GM $103 billion in value over the last fifteen years). For example, beginning in 2005, GM initiated and accomplished, among other things, a reduction of its North American annual structural costs by approximately $9 billion, a considerable reduction of its North American capacity and its hourly and salaried workforce, and a modification of its collective bargaining agreements with various labor unions, significantly reducing its OPEB obligations.

B. Several Strategic Initiatives and Alliances Were Explored

36. At the same time it was realigning its business and operating costs, GM also was exploring strategic third-party alliances and transactions to reduce its cost structure and broaden its product base and geographic reach. For the reasons discussed above, these efforts were brought into even sharper focus in recent years -- beginning with GM's consideration during the summer of 2006 of a partnership with Renault-Nissan. However, the parties were unable to reach agreement on acceptable terms.

37. In the spring of 2007, GM entered into high-level discussions with DaimlerChrysler AG ("Daimler") regarding the potential acquisition of Chrysler. GM viewed Chrysler, much like Renault-Nissan, as having the potential to create significant synergies, the present value of which was estimated to be significantly greater than the equity value of either of the parties at the time, as well as an opportunity to reduce costs. A transaction with Chrysler was

also viewed as a potential catalyst for obtaining significant incremental financing from GM and Chrysler's existing lenders, several of which were common to both companies. GM ultimately concluded, however, that a GM/Chrysler combination would only exacerbate GM's exposure to a dwindling U.S. automotive market with mounting costs and supplier concerns and, accordingly, the discussions were terminated.

38. GM nevertheless revisited a potential acquisition of Chrysler beginning in August 2008. Soon thereafter, however, as discussed below, the financial markets and operating conditions for GM and Chrysler sharply and rapidly deteriorated. By early November 2008, it became clear to GM that Chrysler's lenders would not be willing to provide incremental liquidity to a merged company. As a result, in early November, the parties suspended discussions.

39. Other recent efforts -- including discussions regarding potential equity investments (both local and global in scope) by various foreign entities and sovereign wealth funds -- also failed to materialize because of, among other things, the Company's uncertain financial condition and prospects. These same concerns also have hindered the Company's ability to (i) obtain additional Energy Independence and Security Act (EISA) loan funding (in the amount of approximately $7.7 billion), as the United States Department of Energy has deferred decision on the Company's application until the U.S. Treasury accepts the Company's plan for long-term viability, and (ii) sell discrete assets that otherwise would have had substantial value under normal market conditions, such as interdependent assets like ACDelco, that are simply not viable without the Company's support, including as a high volume customer.

C. The Worldwide Financial Crisis Propels GM into a Liquidity Crisis

The Dramatic Increase in Fuel Prices

40. Notwithstanding significant progress in cost reduction and increased efficiency, competitive pressure on GM was exacerbated by (i) substantial increases in the price

of crude oil to nearly $150 per barrel during 2008, which precipitated a sharp downturn in driving and sales in the large vehicle segments in which GM was dominant and most profitable and (ii) a sharp decline in the global economy, including substantial increases in unemployment and a freeze-up of consumer and business lending. The resulting drop in new vehicle sales led to a steep erosion in GM revenues and, in turn, significant operating losses. As a result, between the beginning of May and the middle of June of 2008, GM's common stock price declined from over $23 per share to under $15 per share and its long-term bonds traded down from the mid-70s to the high 60s.

Instability in the Financial Markets

41. Even as fuel prices stabilized and moderated to some degree during the fall of 2008, the Company faced sharply deteriorating economic conditions during the second half of 2008 and the first quarter of 2009, which can only be characterized as the worst economic downturn and credit market environment since the Great Depression. Significant failures occurred in America's financial sector -- including the forced sale or liquidation of two of America's five largest investment banks, the crippling of the nation's largest insurance company, the conservatorships of both Freddie Mac and Fannie Mae, and the financial distress of two of the nation's ten largest banks. The financial market crisis not only affected large institutions, but also affected consumers, as both income and financing for buyers and lessees of automobiles evaporated.

42. As the economy continued to deteriorate, GM explored programs to conserve and raise cash through various capital markets actions. For example, correctly anticipating a liquidity crunch, in the Summer of 2008, the Company explored raising as much as $3 billion through a public offering of common and mandatory convertible preferred stock.

Given the rapidly and severely contracting markets, however, the prospects for an equity offering faded by June 2008. As it became increasingly clear that an equity offering or any unsecured debt offering was not feasible because of market conditions, the Company's Treasury Office began working with outside financial advisors on a variety of alternative strategies, including a liquidity preservation plan and the possible issuance of secured debt.

43. GM's financial advisors indicated that the market capacity for such a financing as of July 2008 was approximately $2 to $4 billion. GM's ability to raise additional secured borrowing, however, was constrained by its existing secured facilities and restrictive provisions in its various bond indentures. The Company nevertheless attempted to pursue the proposed secured financing until early September 2008.

44. On September 15, 2008, Lehman commenced a chapter 11 case. In the weeks that followed, it became clear that there were no prospects for the Company to launch any debt offering, even on a secured basis.

45. Throughout the summer of 2008, even as it was engaged in a concerted effort to raise capital and cut costs, GM also explored the sales of a variety of core and non-core assets. As of June 27, 2008, the Company had received indications that OnStar might realize approximately $2 to $4 billion; HUMMER might realize $ 500 million or more; ACDelco might realize approximately $1 to $2 billion; and GM Strasbourg might realize approximately $200 to $300 million. The Company also believed that it might be able to sell or securitize certain of its real estate assets to generate proceeds of approximately $1.2 to $1.4 billion. None of the foregoing was able to be consummated on reasonable terms given the contracting credit markets, the continuing recession, and concerns about GM.

46. Thus, the combination of the sharp run-up of gasoline prices with its direct impact on the Company's most profitable vehicle segments, rapid declines in the housing/mortgage/credit sectors, the freeze-up of equity and debt capital markets, and the lowest levels of consumer confidence in nearly thirty years, had an unprecedented effect on the automotive industry generally and GM in particular. As the economic crisis intensified, new vehicle sales fell to their lowest per-capita levels in half a century (including, by way of example, a decline in just the last year alone of approximately one million global vehicle sales), putting automakers under enormous financial stress. By late September 2008, based on operating results through the end of August 2008, GM was projecting that its Automotive Adjusted EBT for 2008 would fall to negative $10.1 billion. Conditions only worsened after that, with new vehicle sales in the United States during October 2008 totaling just 861,000 units, a SAAR of 10.9 million units, which was the lowest level for the period since 1982.

47. Under these extraordinary conditions, the Company's liquidity rapidly eroded to a level below what was necessary to operate the business. Consequently, GM had no choice but to reach out to the U.S. Government for financial assistance.

D. GM Seeks Financial Assistance from the U.S. Government

48. President Barack Obama has described the domestic automotive industry as a basic component of the national industrial complex and economy. The automotive industry employs one in ten domestic workers and directly provides and supports more than 4.7 million jobs. It is one of the largest purchasers of domestically manufactured steel, aluminum, iron, copper, plastics, rubber, and electronic and computer chips. Almost 4% of the U.S. gross domestic product, and almost 10% of U.S. industrial production by value, is related to the automotive industry. In addition, currently, GM is one of the largest private providers of healthcare in this country. The survival and future success of the Company is, therefore,

essential not only for the immediate stakeholders and constituents of GM, but also for the well-being of the economy and the public interest. Indeed, the U.S. Government views the survival of the Company as necessary to avoid a far broader systemic failure that would severely disadvantage the nation and the millions of people who are employed in or dependent on the automotive sector.

Viability Plan I

49. In November 2008, it had become increasingly clear that the Company would only be able to obtain sufficient funds and liquidity to avoid near-term bankruptcy through a loan from the U.S. Government. The Company's existing debt load was likely to be unsustainable and would need to be restructured to permit long-term viability. Accordingly, with the credit markets frozen and consumer confidence at an all time low, on or about November 12, 2008, GM was compelled to seek financial assistance from the U.S. Treasury.

50. On November 21, 2008, the Speaker of the House of Representatives, Nancy Pelosi, and the Senate Majority Leader, Harry Reid, released a letter to the chief executive officers of GM, Chrysler, and Ford outlining a framework for the domestic OEMs to request government loans, including submission of additional information for future economic viability.

51. In response to this letter, on December 2, 2008, GM submitted to the Senate Banking Committee and the House of Representatives Financial Services Committee a proposed viability plan ("Viability Plan I"). Under Viability Plan I, the Company committed to using the proposed government funding exclusively to sustain and restructure its operations in the United States and aggressively retool its product mix. Key elements of Viability Plan I included:

- a dramatic shift in the company's U.S. vehicle offering portfolio, with 22 of 24 new vehicle launches in 2009-2012 consisting of more fuel-efficient cars and crossovers;

- full compliance with the 2007 Energy Independence and Security Act, and extensive investment in a wide array of advanced propulsion technologies;

- reduction in brands, nameplates, and retail outlets to focus available resources and growth strategies on the Company's profitable operations;

- full labor cost competitiveness with foreign manufacturers in the United States by no later than 2012; and

- further manufacturing and structural cost reductions through increased productivity and employment reductions; and balance sheet restructuring and enhanced liquidity via temporary federal assistance.

52. In addition, Viability Plan I requested an immediate loan of $4 billion from the U.S. Government to insure minimum liquidity through the end of 2008, a second $4 billion draw in January 2009, a third draw of $2 billion in February 2009, and a fourth draw, also of $2 billion, at an unstated date in 2009, for a total government term loan of $12 billion. In addition, GM sought access to an incremental $6 billion line of credit, for a total of $18 billion in projected government loans.

53. Notwithstanding the critical need for emergency funding by domestic OEMs, Congress did not act, and GM was compelled to seek immediate financial support from the U.S. Treasury or confront the suspension of operations.

The U.S. Treasury Facility

54. On December 19, 2008, former President George W. Bush announced that the outgoing administration would make short-term, emergency funding available to GM and Chrysler under the Troubled Asset Relief Program ("TARP") to prevent both companies from commencing immediate bankruptcy cases. GM immediately intensified negotiations with the U.S. Treasury regarding the terms of a government loan, and, on December 31, 2008, GM and

the U.S. Treasury entered into an agreement (the "U.S. Treasury Loan Agreement") that provided GM with emergency financing of up to an initial $13.4 billion pursuant to a secured term loan facility (the "U.S. Treasury Facility"). GM borrowed $4.0 billion under the U.S. Treasury Facility on December 31, 2008 and an additional $5.4 billion on January 21, 2009. The remaining $4.0 billion was borrowed on February 17, 2009. The loan bears an interest rate per annum equal to the three-month LIBOR rate (which shall be no less than 2.0%) plus 3.0%.

55. A number of the Company's domestic subsidiaries jointly and severally guaranteed GM's obligations under the U.S. Treasury Facility pursuant to a guarantee and security agreement entered into concurrently with the U.S. Treasury Facility. The U.S. Treasury Facility is secured by a first priority lien on and security interest in substantially all the unencumbered assets of GM and the guarantors, as well as a junior lien on encumbered assets, subject to certain exceptions. The U.S. Treasury Facility is also secured by a pledge of the equity interests held by GM and the guarantors in certain foreign subsidiaries, also subject to certain exceptions.

56. As part of the compensation for the loans provided under the U.S. Treasury Loan Agreement, GM issued to the U.S. Treasury (i) a warrant to purchase up to 122,035,597 shares of GM common stock (subject to adjustment); and (ii) a related promissory note in a principal amount of approximately $749 million, due on December 30, 2011, and bearing interest, payable quarterly, at a rate per annum equal to the three-month LIBOR rate (which shall be no less than 2.0%) plus 3.0% (together with other similar notes, the "Warrant Notes").

57. The U.S. Treasury Loan Agreement required, among other things, that GM (i) reduce its approximately $27 billion outstanding unsecured public debt by no less than

two-thirds; (ii) reduce its total compensation to U.S. employees so that by no later than December 31, 2009, such compensation is competitive with Nissan, Toyota, or Honda in the United States; (iii) eliminate compensation or benefits to employees who have been discharged, furloughed, or idled, other than customary severance pay; (iv) apply, by December 31, 2009, work rules for U.S. employees in a manner that is competitive with the work rules for employees of Nissan, Toyota, or Honda in the United States; and (v) convert at least one-half of the value of the required $20 billion UAW VEBA Contribution to common stock rather than a cash payment.

58. The U.S. Treasury Loan Agreement provided that, if, by March 31, 2009 (the "Certification Deadline"), the President's designee had not issued a certification that GM had taken all steps necessary to achieve and sustain GM's long-term viability, international competitiveness, and energy efficiency in accordance with its viability plan, then the loans and other obligations under the U.S. Treasury Loan Agreement would become due and payable on the 30th day after the Certification Deadline.

E. The U.S. Treasury Conditions Any Future Financing On GM's Demonstrating Viability (Viability Plan II)

59. The U.S. Treasury Facility required that the Company develop a proposal to transform its business and demonstrate future viability. However, subsequent to December 2, 2008, when GM submitted Viability Plan I, economic conditions continued to worsen globally. This development, combined with public speculation about GM's future and survival, further reduced the Company's sales volume, revenue, and cash flow.

60. On February 17, 2009, GM submitted to the automobile industry task force appointed by President Obama (the "Presidential Task Force")[4] its business plan to achieve

[4] The members of the Presidential Task Force are: the Secretary of the U.S. Department of the Treasury, Timothy F. Geithner; the Director of the National Economic Council, Lawrence H. Summers; the secretaries of Transportation, Commerce, Labor, and Energy; the Chair of the President's Council of Economic Advisers; the

and sustain GM's long-term viability, international competitiveness, and energy efficiency, including a description of specific actions intended to result in (i) the repayment of the loans provided by the U.S. Treasury; (ii) compliance with federal fuel efficiency and emissions requirements and the commencement of domestic manufacturing of advanced technology vehicles; (iii) the achievement of a positive net present value as determined in plan; (iv) rationalization of costs, capitalization, and capacity with respect to GM's manufacturing workforce, suppliers, and dealerships; and (v) a product mix and cost structure that is competitive in the U.S. marketplace ("Viability Plan II"). The revised viability plan comprehensively addressed, among other things, GM's revenues, costs, and balance sheet for its U.S. and foreign operations, as well as GM's plan to reduce petroleum dependency and greenhouse gas emissions.

61. Specifically, Viability Plan II proposed to transform the Company's business in the United States by (i) concentrating on GM's strongest brands (Chevrolet, Cadillac, Buick, and GMC), phasing out most of the other brands (e.g., HUMMER, Saab,[5] and Saturn by 2011), and transforming Pontiac into a niche brand; (ii) transforming the retail distribution channel to achieve a stronger, more effective dealer network while preserving GM's historical strength in rural areas; and (iii) continuing to take advantage of highly efficient manufacturing and product development operations. Viability Plan II also proposed to accelerate GM's transformation or restructuring of its Canadian, European, and certain Asian-Pacific operations.[6]

Director of the Office of Management and Budget; the Environmental Protection Agency Administrator; and the Director of the White House Office of Energy and Climate Change. The Presidential Task Force advisors include Ron Bloom, Senior Advisor to the U.S. Treasury; and Steven L. Rattner, Counselor to the U.S. Treasury.

[5] Soon after Viability Plan II was submitted to the U.S. Treasury and Presidential Task Force, Saab filed for reorganization in Sweden.

[6] At the same time it submitted Viability Plan II, GM was also engaged in discussions with the German and Swedish governments for funding support for the Opel and Saab brands, respectively.

F. The Rejection of Viability Plan II And the Extension of the Certification Date to June 1, 2009

62. On March 30, 2009, President Obama announced that Viability Plan II was not satisfactory and did not justify a substantial new investment of taxpayer dollars. The President outlined a series of actions that GM needed to take to receive additional federal assistance, including reaching an agreement with the UAW, the Company's bondholders and the VEBA Trust regarding debt reduction, and the submission of a revised business plan that was more aggressive in terms of scope and timing.

63. The President indicated that the U.S. Treasury would extend to the Company adequate working capital for a period of another sixty days to enable it to continue operations and, as the Company's largest secured creditor, would negotiate with the Company to develop and implement a more aggressive and comprehensive viability plan that would include a "credible model for how not only to survive, but to succeed in this competitive global market." *Presidential Remarks* at 4. The President also stated that the Company needed a "fresh start to implement the restructuring plan," which "may mean using our [B]ankruptcy [C]ode as a mechanism to help [it] restructure quickly and emerge stronger." *Id.* at 5. President Obama explained:

> What I'm talking about is using our existing legal structure as a tool that, with the backing of the U.S. Government, can make it easier for General Motors . . . to *quickly* clear away old debts that are weighing [it] down so that [it] can get back on [its] feet and onto a path to success; a tool that we can use, even as workers stay on the job building cars that are being sold.
>
> What I'm not talking about is a process where a company is simply broken up, sold off, and no longer exists. We're not talking about that. And what I'm *not talking about is a company that's stuck in court for years, unable to get out*.

Id. at 5-6 (emphasis added).

64. Also on March 30, 2009, the U.S. Government set a deadline of June 1, 2009 for the Company to demonstrate that its viability plan would fundamentally transform the Company's operations into a profitable and competitive American car company. Thereafter, the Company immediately began a deeper, more surgical analysis of its businesses and operations in an effort to develop a viability plan that would accommodate the needs of its secured creditors and other stakeholders by quickly achieving (i) sustainable profitability, (ii) a healthy balance sheet, (iii) a more aggressive operational restructuring, and (d) technology leadership. GM also began to negotiate additional modifications to the terms of the VEBA Trust, and conducted extensive discussions with the U.S. Treasury regarding a potential restructuring of the debt obligations owed under the U.S. Treasury Loan Agreement.

65. On April 22, 2009, the U.S. Treasury Loan Agreement was amended to increase the U.S. Treasury Facility by $2 billion to $15.4 billion. GM borrowed the additional $2 billion of secured working capital loans on April 24, 2009.

66. As part of the Company's efforts to rationalize its business, on April 24, 2009, the Company announced that it would temporarily shut down certain production facilities starting in May 2009 -- not for the usual two-week mid-year period, and instead, for a period not to exceed eleven weeks (the "Temporary Shutdown"). The Temporary Shutdown enables a balancing of inventories at dealers and reduces cash erosion (albeit not in the very near term, as supplier payments must still be made in accordance with the Company's typical payment terms, but without offsetting revenue from new car production). The Temporary Shutdown is not a long-term solution, as it threatens GM's position in the market and the viability of its suppliers and dealers. As of the Commencement Date, certain of the Company's assembly facilities remain operating, while other assembly facilities continue to be shut down. A number of the

assembly facilities that remain shut down are expected to resume operations by July 13, 2009 if the 363 Transaction is approved.

G. GM's First Quarter 2009 Results

67. On May 8, 2009, GM announced its first quarter 2009 results. GM's total net revenue decreased by $20 billion (or 47.1%) in the first three months of 2009 as compared to the corresponding period in 2008. Operating losses increased by $5.1 billion from the prior quarter. More importantly, during this same period, GM had negative cash usage of $9.4 billion and available liquidity deteriorated by $2.6 billion due, in large part, to lower sales volumes. Sales by our dealers in the United States fell to approximately 413,000 vehicles in the three months ended March 31, 2009, a decline of approximately 49% compared to the corresponding period in 2008.

68. On May 20, 2009 the U.S. Treasury Loan Agreement was amended to increase the U.S. Treasury Facility by $4 billion. GM borrowed additional $4 billion of secured working capital loans on May 22, 2009. In consideration of such additional extensions of credit under the U.S. Treasury Facility, GM issued the requisite secured promissory notes for the amounts borrowed in accordance with TARP legislation.

69. On March 30, 2009, the U.S. Government announced that it would establish a warranty program pursuant to which a separate account would be created and funded with cash contributed by GM and a loan from the U.S. Treasury to ensure the payment for repairs covered by our limited warranty obligations. On May 27, 2009 the U.S. Treasury Loan Agreement was further amended to increase the U.S. Treasury Facility by $360,624,198 and on May 29, 2009 GM borrowed that amount (the "Warranty Program Advance") and funded the separate account with those funds. GM's obligations under the Warranty Program Advance are only guaranteed by, and secured by the assets of, the subsidiary of GM that was formed to own

the separate account. The loan under the Warranty Program Advance bears an interest rate per annum equal to the three-month LIBOR rate plus 3.5%.

70. In consideration of the Warranty Program Advance, GM issued an additional promissory note in an aggregate principal amount of approximately $24.1 million to the U.S. Treasury. The note is due on December 30, 2011, and bears interest, payable quarterly, at a rate per annum equal to the three-month LIBOR rate plus 3.0%.

H. GM's Bond Exchange Offer Fails

71. At the same time the Company was preparing Viability Plan II for submission to the U.S. Government, it was also preparing for the launch of an out-of-court bond exchange offer. On April 27, 2009, as part of the continued effort to achieve long-term viability and avoid bankruptcy, GM launched a public exchange offer for the approximately $27 billion of its unsecured bonds (the "Exchange Offer"). The Company viewed the Exchange Offer as a means to continue operations and avoid the precipitous decline in revenues that would result from a prolonged bankruptcy case. At the time the Exchange Offer was announced, the Company also disclosed that, if it did not receive enough tenders to consummate the Exchange Offer, GM would expect to commence a bankruptcy case to preserve the going concern value of its business.

72. The terms of the Exchange Offer were the subject of extensive negotiations between the Company and the U.S. Treasury, as consummation of the Exchange Offer required the satisfaction or waiver of several conditions imposed by the U.S. Treasury as the largest secured creditor and potential contributor to the Company's deleveraging. Among such conditions, the results of the Exchange Offer had to be acceptable to the U.S. Treasury, including the overall level of participation by bondholders in the Exchange Offer and the level of participation by holders of the Company's Series D notes due June 1, 2009 ("Series D Notes").

When the Exchange Offer was launched, GM understood that at least 90% of the aggregate principal amount of the outstanding bonds, including at least 90% of the aggregate principal amount of the outstanding Series D Notes, were required to be tendered in the Exchange Offer in order to achieve a sufficient level of debt reduction to meet the viability requirement. Consummation of the Exchange Offer was also conditioned on, among other things, the conversion to equity of (i) at least 50% of GM's outstanding U.S. Treasury debt at June 1, 2009 (approximately $10 billion) and (ii) at least 50% (or approximately $10 billion) of GM's future financial obligations to the New VEBA, for a total projected additional debt reduction of approximately $20 billion.

73. The Exchange Offer expired on May 26, 2009 without achieving the threshold of required tendered acceptances.

I. The 363 Transaction and the MPA

74. In connection with providing financing, the U.S. Treasury advised the Company that, if an out-of-court restructuring was not possible, the Company should consider pursuing the bankruptcy process to implement a transaction under which substantially all the assets of the Company would be purchased by a U.S. Treasury-sponsored purchaser (subject to any higher or better offer) in an expedited process under section 363 of the Bankruptcy Code. Under this scenario, the Purchaser would acquire the purchased assets, create a New GM, and operate New GM free of any entanglement with the bankruptcy cases, and thereby preserve the going concern value, avoid systemic failure, provide employment, protect the many communities dependent upon the continuation of the business, and restore consumer confidence.

75. To facilitate this process, the U.S. Treasury agreed that it would provide DIP financing for the Company through the chapter 11 process -- but *only* if the sale of the purchased assets occurred on an *expedited* basis. Notably, both the Government of Canada and

the Government of Ontario, through the EDC, have agreed to participate in the DIP financing to assure the long-term viability of GM's North American enterprise, to (i) preserve value of the business and restore consumer confidence, and mitigate the devastating damage that GM itself, and the industry, would suffer if GM's major business operations were to remain in bankruptcy; and (ii) avoid the enormous costs of financing a lengthy chapter 11 case. The extent of the Canadian participation will be approximately $9.1 billion. The U.S. Treasury also agreed that it would provide New GM with adequate post-acquisition financing that would further GM's long-term viability. A fundamental premise of the U.S. Treasury program is to revive consumer confidence in GM products and services for the benefit of the Company's employees, its extended supplier and dealer network, and the families and communities that depend on GM operations. In the end, a New GM will emerge that will be viable, competitive, reliable, and a standard bearer for a basic U.S. industry. Importantly, the DIP financing to be furnished by the U.S. Treasury is the only financing that is available to the Company. The U.S. Treasury is the *only* entity that is willing to extend DIP financing to the Company. Other efforts to obtain such financing were unsuccessful. Absent adequate DIP financing, the Company will have no choice but to liquidate.[7]

76. The purchase and transfer of the Purchased Assets under the MPA is a material element of the U.S. Treasury program to revitalize the domestic automotive industry and is the product of intense negotiations between the Debtors and their key stakeholders, including the U.S. Treasury and the UAW. The 363 Transaction, as embodied in the MPA,

[7] The terms and conditions of the DIP financing are set forth in the Debtors' Motion for For Entry Of An Order Pursuant To 11 U.S.C. §§ 361, 362, 363, and 364 (A) Authorizing The Debtors To (I) Obtain Postpetition Financing, Including On An Immediate, Interim Basis Pursuant To Bankruptcy Rule 6003; (II) Grant Adequate Protection To The DIP Lenders; (III) Utilize Cash Collateral Of The U.S. Treasury; (IV) Use Estate Property To Repay Certain Secured Obligations In Full Within 45 Days Of The Commencement Date, And (V) Provide Adequate Protection To The U.S. Treasury, And (B) Scheduling a Final Hearing Pursuant To Bankruptcy Rule 4001, filed contemporaneously herewith and incorporated herein as if fully set forth herein.

contemplates that substantially all of GM's core operating assets -- assets that are essential for New GM to be a profitable and competitive operating entity (including the capital stock of the majority of its subsidiaries) -- will be sold and transferred to the Purchaser, which can immediately begin operations. Knowing that the Company's business will exist and be supported in the form of New GM, consumers can have confidence that if they buy a GM car, there will be a dealer network and U.S. Government support to assure parts, warranty service, and a market for future used GM vehicle trade-ins. Indeed, a viable company will help preserve and support jobs and benefits, not only for the Company's employees, but also for GM's supplier and dealer employees, all of which will help support the market for GM vehicles.

77. The purchase price for the Purchased Assets is equal to the sum of:

- a section 363(k) credit bid in an amount equal to the amount of indebtedness owed to the Purchaser as of the closing pursuant to the UST Credit Facilities (as defined in the MPA) and the DIP Facility, less approximately $7.7 billion of indebtedness under the DIP Facility (estimated to be $48.7 billion at July 31, 2009);

- the warrant previously issued by GM to the U.S. Treasury;

- the issuance by the Purchaser to the Debtors of 10% of the common stock of the Purchaser as of the closing;

- Warrants to purchase up to 15% of the shares of common stock of the Purchaser, with the initial exercise prices for equal amounts of the warrants based on $15 billion and $30 billion equity values of the Purchaser. The warrants will be exercisable through the seventh and tenth anniversaries of issuance, respectively, and GM can elect partial and cashless exercises; and

- the assumption by the Purchaser of the Assumed Liabilities.

In addition, in the event the Bankruptcy Court determines that the estimated amount of allowed prepetition general unsecured claims against the Debtors exceeds $35 billion, then the Purchaser will issue an additional 2% of the outstanding common stock of Purchaser as of the closing.

78. In negotiating the 363 Transaction, GM implemented a bottoms-up, "clean sheet" approach to determine the assets to be sold to New GM and the obligations that had to be

assumed as necessary to maximize the value and viability of New GM for the benefit of its economic stakeholders. For example, it is imperative to the success of New GM that consumers have confidence in its products. As such, liabilities such as warranties, customer incentive contracts, and necessary supplier contracts are being assumed by New GM as part of the 363 Transaction.

79. Any payments that are made to the Debtors' creditors in connection with the 363 Transaction (other than payments of Cure Amounts in connection with the assumption and assignment of Purchased Contracts) will be voluntarily made by New GM.

80. The assets excluded from the sale -- as well as the proceeds of the sale, such as 10% of the equity interests in New GM -- will be administered in the chapter 11 cases to support the liquidation of assets, wind-down, or other disposition of the Debtors' chapter 11 cases. After the closing, the Purchaser or one or more of its subsidiaries will provide the Debtors and any retained subsidiaries with transition services as described in the MPA to help liquidate and wind down or otherwise dispose of the assets that are not sold to the Purchaser.

81. Finally, as part of the 363 Transaction, and as described below, the Purchaser will make contributions to the New VEBA that will provide retiree health and welfare benefits to former UAW employees and their spouses. Also, as part of the 363 Transaction, the Purchaser will be the assignee of revised collective bargaining agreements with the UAW, the terms of which were recently ratified.

J. Expedited Approval of the 363 Transaction Is Essential

82. The need for speed in approving and consummating the 363 Transaction is critical for several reasons. Most obvious -- the U.S. Treasury has made very clear that it will sponsor New GM as the purchaser and fund the chapter 11 cases only if the 363 Transaction is approved by July 10, 2009. As explained below, the assets that will be sold -- that is, not merely

the physical assets, but the value of and consumer confidence in the GM brand and its products and support systems (including parts, warranty service, and a market for used vehicles) -- are fragile and will be subject to significant value erosion unless they are expeditiously transferred to New GM and its operations start free from the stigma of bankruptcy. Any delay will result in irretrievable revenue perishability and loss of market share to the detriment of all economic interests. It will exacerbate and entrench consumer resistance to General Motors' products. *There is no other alternative*. No other DIP financing source. No other buyer for the business.

Consumers

83. New GM needs to sell cars and trucks. Consumers must have confidence that, in buying a GM car or truck, they will receive not only value and reliability, but also warranty protection and future parts and servicing through an integrated dealer system. The purchase or lease of a new car or truck represents the second largest expenditure (after a home purchase) of a typical American household. Buying a car is a major, and often discretionary, economic and emotional event for a customer -- but once a consumer buys a vehicle and is satisfied, including if it involves a change in brand, the consumer's brand loyalty shifts as well, and can be expected to continue for years or even decades. The significance of consumer perception cannot be overstated, particularly in light of the crisis of confidence that has permeated the economy, and with particular impact on GM and Chrysler, since September 2008. Uncertainty about the future success of New GM, therefore, must be dissipated quickly. But it will be aggravated, not dissipated, if GM's business and future must continue in the limbo of a prolonged chapter 11.

84. The risks to GM of a prolonged chapter 11 process are patent. Information compiled by, or at the direction of, the Company confirms that the mere threat of a

bankruptcy filing has depressed GM's sales and that, in an extended period of a bankruptcy case, the sales reductions and customer defections can be expected to be even more significant. Indeed, in the days and months following the announcement of the U.S. Treasury Loan Agreement, GM immediately began to suffer a sharp reduction in market share.

85. In short, restoring and maintaining consumer confidence in both the Company and its products is a necessary catalyst to viability and success. Absent prompt approval of the 363 Transaction, resistance to the Company's products may ultimately prove fatal to the U.S. automotive industry.

The Supply Chain

86. An expeditious approval of the 363 Transaction, including the assumption of supplier contracts and subsequent assignment to New GM (and the satisfaction of payables owed to such suppliers, either as cure payments or by voluntary satisfaction provided by New GM, in its business judgment) is also necessary to address the tenuous financial condition of, and maintain the availability of product from, the Company's suppliers. As discussed below, the deepening economic crisis has affected not only GM, but also the thousands of direct and indirect suppliers and vendors that provide components, products, and material to the Company. In light of the credit crisis and the rapid decline in automobile sales, many of the Company's suppliers are unable to access credit and are facing growing and serious uncertainty about the prospects for their businesses. This, in turn, threatens the employment and income of hundreds of thousands of employees of such vendors. According to the Center for Automotive Research, should one or more of the Detroit Three fail in 2009, the U.S. economy would lose nearly 2.5

million jobs -- comprised of nearly 240,000 jobs at the Detroit Three, nearly 800,000 indirect/supplier jobs, and over 1.4 million spin-off or expenditure-induced jobs.[8]

87. Automotive parts suppliers generally operate on very narrow margins, and any imbalance between revenues and expenses can be detrimental -- and potentially fatal -- to the suppliers' liquidity and ability to secure capital, including maintaining credit lines. As such, prompt approval of the 363 Transaction is critical to restore purchases and payments, and to maintain the flow of parts and components. Any involuntary stop in such production will have a devastating consequence on GM's significant suppliers' -- and in turn, GM's -- economic viability.

88. In this regard, it is crucial to recognize that under standard payment terms, GM's suppliers are not paid immediately upon the Company's receipt of their products or services. Instead, suppliers generally are paid on the second business day of the second month following receipt of goods or services, which means that suppliers are typically paid approximately 45 days after GM's receipt of goods or services. If GM were to cease operations for an extended period and then New GM sought to start operations, the suppliers would need to manufacture parts without having received payments for prior deliveries and without receiving revenue for the first 45 days of new production. Thus, suppliers would need to purchase materials, pay operating costs, and provide employee wages without the stable revenue flow typically relied upon to cover these expenses. Many suppliers may be forced out of business, thereby threatening the viability of New GM, as well as an already fragile automotive industry.

[8] David Cole, Sean McAlinden, Kristin Dziczek & Debra Maranger, Center for Automotive Research, *The Impact on the U.S. Economy of a Major Contraction of the Detroit Three Automakers*, Nov. 4, 2008, *available at* http://www.cargroup.org/documents/FINALDetroitThreeContractionImpact_3__002.pdf.

89. Heightening the threat to these parts suppliers' viability is the almost nonexistent credit market. Temporary financial relief through additional financing simply is not a realistic option for many parts suppliers. Rather, suppliers lacking liquidity increasingly are being downgraded by ratings agencies to below-grade investment ratings. For some suppliers, the downgrade triggers a breach in loan covenants, thereby allowing lenders to almost immediately terminate the suppliers' revolving credit facility. Termination of a supplier's revolver without replacement capital would immediately shut down a supplier's operations and, in turn, the OEM's plants.

90. Recognizing the importance of maintaining the flow of parts, OEMs, notwithstanding their own liquidity problems, have in the past stepped in as replacement lenders. But given market conditions, this option has curtailed dramatically. It certainly would not be available from GM if it commenced a bankruptcy case without the support of the U.S. Treasury as DIP lender. Notably, following Chrysler's chapter 11 case, a number of banks no longer extended financing to suppliers based on their Chrysler receivables. There can be no doubt that the same fate will be suffered by GM's suppliers following the commencement of these chapter 11 cases. As such, the liquidity of GM's suppliers will be further crippled. The swift emergence of New GM from the bankruptcy process pursuant to the 363 Transaction is, therefore, necessary to re-establish lender confidence and maintain suppliers' access to capital and their viability as suppliers for New GM.

91. Given their substantial dependence on GM, many of GM's suppliers are awaiting the outcome of the proposed 363 Transaction with the knowledge that their existence is at stake. If New GM is not able to promptly commence operations, these suppliers will face liquidity crises that will endanger not only New GM, but also the entire automotive industry. As

observed in the Report to Congressional Committees prepared by the United States Government Accountability Office:

> More than 500,000 workers are employed by companies in the United States that manufacture parts and components used by automakers -- both domestic automakers and transplants. According to the Motor and Equipment Manufacturers Association, many suppliers are in severe financial distress, with a number having filed for bankruptcy in 2008. Some members of our panel said that because many of these suppliers have relatively high costs and depend on the business of the Detroit 3, some of them may not have enough revenue to survive if one of the automakers were to cease production. This, in turn, could affect the automakers' ability to obtain parts needed to manufacture vehicles. *This dynamic has the potential to affect all automakers with production facilities in the United States, regardless of home country.*

U.S. Govt. Accountability Office, Report to Congressional Comm.: Auto Industry: Summary of Government Efforts and Automakers' Restructuring to Date at 6 (Apr. 2009) [hereinafter *US GAO Report*].

The Dealership Network

92. The 363 Transaction contemplates the assumption by the Company and the assignment to New GM of dealer franchise agreements relating to approximately 4,100 dealerships. The transfer of such agreements is essential to the viability of New GM because an automotive manufacturer simply cannot survive without a dealer network. Dealers not only sell cars, but also provide warranty and other services on a front-line basis with consumers, thereby fostering familiarity and trust on a community and individual customer level. By accepting trade-ins, the Company's dealers create and maintain a viable business in used cars, which gives consumers confidence in the long-term value of the Company's products and, in turn, its overall business, as well as provide "currency" towards the purchase of a new car.

93. The Company, however, is not assuming and assigning to New GM all of its existing dealer franchise agreements. The Company's vast dealer network, consisting of approximately 6,000 dealerships, developed over an extended time period in which the Company's market share was growing and was far greater than it is now, and when there was far less, or even no meaningful foreign competition. Consequently, and precisely because there are now far more dealerships than the Company's market share can support, including, in some cases, multiple dealers in a single contracting community and dealerships that have become poorly situated as a result of changing demographics, the Purchaser is not willing to continue all dealerships. Among the dealerships the Purchaser is not willing to continue, for example, are those approximately 400 dealers who sell fewer than fifty cars per year, and those approximately 250 dealers who sell fewer than 100 cars per year. Approximately 630 other dealerships are not being continued because they are dealers who, in whole or substantial part, sell brands that are being discontinued.

94. Notwithstanding the foregoing, the 363 Transaction does not contemplate an abrupt cutoff of nonretained dealerships. In pursuit of the maximization of New GM's ability to, among other things, maintain consumer confidence and goodwill, provide ongoing warranty and other services, and preserve resale and trade-in values, the Company not only is giving approximately 17 months notice, but also will offer to enter into, and New GM will assume "deferred termination agreements" with most of the dealers whose franchise agreements are not being assumed, which should have the additional benefit of easing the hardships attendant to the dealership closings.

95. The Company is fully cognizant of the effects of the contraction of the number of dealers, but it must be balanced with the fact that the 363 Transaction will permit

thousands of dealerships to survive, while providing for an orderly wind-down of those dealerships not being retained. The alternative to the exercise of sound business judgment is that the Company would liquidate – and *all* dealerships would cease to be GM dealerships, including the approximately 4,000 dealerships that otherwise are contemplated to continue to operate under New GM.

96. The major predicate for the 363 Transaction, including, most importantly, the U.S. Treasury's willingness to continue financing the Company's operations during and after the sale and transfer of the Purchased Assets, is dependent upon the expeditious approval of the Sale Motion. It is the *sine qua non* of protecting the Company's market share brand credibility and to avoid further consumer support erosion. Delay will result in additional dealership closings well beyond those currently envisioned. More than half of the Company's entire dealership network may be undercapitalized because of the significant recent decline in sales and revenue as the shadow of bankruptcy loomed large over GM. The 363 Transaction will enable alleviation of that condition.

K. The 363 Transaction Is the Only Credible Alternative To a Liquidation of the Company

97. The 363 Transaction is the only remaining alternative to save the Company's operations and prevent the immediate liquidation of GM and the catastrophic impact on the economy that will result from the loss of hundreds of thousands of jobs if the GM assets and business are not sold and transferred as proposed. No other potential buyer of GM's business has come forward. No entity other than the U.S. Government has the wherewithal to provide the billions of dollars needed for DIP financing and the financing of New GM.

98. The only alternative to the 363 Transaction is a liquidation of the Debtors' assets -- a process that will severely reduce the value of the Company's assets to the prejudice of

its employees and all economic stakeholders. A liquidation will cause not only hundreds of thousands of jobs to be lost, but also a worldwide shutdown of GM's suppliers and dealers.

IV.

Capital Structure

99. GM is a public reporting company under Section 12(b) of the Securities and Exchange Act of 1934. Its shares of common stock, par value $1-2/3 (defined above as "Common Stock") are publicly traded under the symbol "GM" on the New York Stock Exchange, the Bourse de Bruxelles (Brussels, Belgium), and the Euronext Paris (Paris, France). As of March 31, 2009, there were 610,505,273 shares of Common Stock outstanding.

100. GM is the direct parent company of Chevrolet-Saturn and Saturn, and the indirect parent company of Saturn Distribution. GM owns 100% of the issued and outstanding stock of Chevrolet-Saturn, a Delaware corporation, which is an automotive dealership, and 100% of the membership interests in Saturn, a Delaware limited liability company, which distributes Saturn-branded motor vehicles. Saturn owns 100% of the issued and outstanding stock of Saturn Distribution, a Delaware corporation, which is in the business of the distribution of Saturn's vehicles.

101. As of March 31, 2009, GM had consolidated reported global assets and liabilities of approximately $82,290,000,000 and $172,810,000,000, respectively. The significant prepetition indebtedness of GM consists primarily of the following:

The U.S. Treasury Facility

102. As of the Commencement Date, GM and certain of its non-Debtor affiliates were parties to the U.S. Treasury Loan Agreement, dated as of December 31, 2008, by GM, as borrower, the U.S. Treasury, as lender, and Argonaut Holdings, Inc., General Motors

Asia, Inc., General Motors Asia Pacific Holdings, LLC, General Motors Overseas Corporation, General Motors Overseas Distribution Corporation, General Motors Product Services, Inc., General Motors Research Corporation, GM APO Holdings, LLC, GM Eurometals, Inc., GM Finance Co. Holdings LLC, GM GEFS L.P., GM Global Technology Operations, Inc., GM Global Tooling Company, Inc., GM LAAM Holdings, LLC, GM Preferred Finance Co. Holdings LLC, GM Technologies, LLC, GM-DI Leasing Corporation, GMOC Administrative Services Corporation, Onstar, LLC, Riverfront Holdings, Inc., Saturn Corporation, and Saturn Distribution Corporation, as guarantors.

103. The U.S. Treasury Facility provides for an approximately $19.4 billion secured term loan facility scheduled to mature on December 31, 2011, and accruing interest at a rate per annum equal to the three-month LIBOR rate (which shall be no less than 2.0%) plus 3.0%, subject to certain exception. The U.S. Treasury Facility is secured by assets that were not previously encumbered, including (i) GM's and the guarantors' equity interests in most of their domestic subsidiaries and certain of their foreign subsidiaries (limited in most cases to 65% of the equity interests of the pledged foreign subsidiaries), (ii) intellectual property, (iii) real estate (other than manufacturing plants or facilities), (iv) inventory that was not pledged to other lenders, and (v) cash and cash equivalents in the U.S., in each case of above, subject to certain exclusions. The U.S. Treasury Facility is also secured by a third lien on the assets securing GM's obligations under the Prepetition Revolving Credit Agreement (as defined below) and a second line on the assets securing the obligations under the GELCO Agreement (as defined below).

104. GM's obligations with respect to the Warranty Program Advance made under the U.S. Treasury Facility are only guaranteed by, and secured by the assets of, the

subsidiary of GM that was formed to own the separate account. The loan under the Warranty Program Advance bears an interest rate per annum equal to the three-month LIBOR rate plus 3.5%.

105. As of the Commencement Date, the amount outstanding under the U.S. Treasury Facility was approximately $19.4 billion in principal amount, plus approximately $1.2 billion of Warrant Notes.

Revolving Credit Facility

106. As of the Commencement Date, certain of the Debtors were parties to that certain Amended and Restated Credit Agreement (the "Prepetition Revolving Credit Agreement"), dated as of July 20, 2006, by and among GM and General Motors of Canada Limited ("GM Canada"), as borrowers, Saturn and GM, as guarantors, various financial institutions and other persons from time to time as lenders thereunder (collectively, the "Prepetition Revolving Credit Lenders"), JP Morgan Chase Bank, N.A., as syndication agent, and Citicorp USA, Inc., as administrative agent.

107. The Prepetition Revolving Credit Agreement provides for (i) a U.S. revolving credit facility in the maximum aggregate principal amount of $2,463,200,000 and (ii) a Canadian/U.S. revolving credit facility and letters of credit in the maximum aggregate principal amount of $1,864,800,000.[9] Obligations of GM arising under the Prepetition Revolving Credit Agreement (the "US Obligations") are direct obligations of GM, and obligations of GM Canada arising under the Prepetition Revolving Credit Agreement (the "Canadian Obligations," and together with the US Obligations, the "Revolving Credit Obligations") are direct obligations of GM Canada. Borrowings under the Prepetition Revolving Credit Agreement accrue annual

[9] The Prepetition Revolving Credit Agreement also provided for an unsecured revolving credit facility in the maximum aggregate principal amount of $152,000,000, which expired on June 16, 2008.

interest at varying rates keyed to the prime rate, the federal funds effective rate, or LIBOR, as in effect at the time each such loan is made. In addition, the Revolving Credit Obligations are also secured by a junior lien on the assets securing the U.S. Treasury Facility.

108. Under the Prepetition Revolving Credit Agreement, the US Obligations are guaranteed by Saturn and the Canadian Obligations are guaranteed by GM and Saturn. GM and Saturn have also guaranteed the obligations of GM and each of its subsidiaries under (i) certain scheduled lines of credit, letters of credit (other than any letters of credit issued under the Prepetition Revolving Credit Agreement), and automated clearing house and overdraft arrangements, in each case, provided by any Prepetition Revolving Credit Lender (or any affiliate thereof) to the extent such lender remains a Prepetition Revolving Credit Lender (the "Non-Loan Exposure") and (ii) any non-speculative hedging arrangements provided by any Prepetition Revolving Credit Lender (or an affiliate thereof), involving certain debt instruments, interest rates, currencies or commodities and any extensions or replacements thereof (the "Hedging Obligations").

109. Pursuant to that certain U.S. Security Agreement, dated as of July 20, 2006, as security for the US Obligations and the U.S.-related Non-Loan Exposure, GM and Saturn granted to the administrative agent, Citicorp USA, Inc., first priority liens against and security interests in certain inventory, receivables, 65% of the outstanding stock of Controladora General Motors, S.A. de C.V., documents, general intangibles, books and records, and proceeds of the foregoing. As security for certain Hedging Obligations, pursuant to that certain Second Priority US Security Agreement, dated as of July 20, 2006, GM and Saturn granted to Citicorp USA, Inc., the administrative agent to the Revolving Credit Facility, second priority liens against and security interests in the collateral granted to secure the US Obligations. In addition, the

Hedging Obligations are also secured by a junior lien on the assets securing the U.S. Treasury Facility.

110. As security for the Canadian Obligations and the Canadian-related Non-Loan Exposure, pursuant to that certain General Security Agreement (Canadian Borrower), dated as of July 20, 2006, GM Canada granted to the administrative agent, first priority liens against and security interests in certain inventory, equipment, machinery, books, accounts, notes, proceeds of the foregoing, and real property.

111. As of the Commencement Date, approximately $3.87 billion in principal amount (excluding approximately $600 million in Canadian Obligations) is outstanding under the Prepetition Revolving Credit Agreement.

Term Loan

112. Pursuant to a term loan agreement, dated as of November 29, 2006 (the "Term Loan Agreement") between GM as borrower, JP Morgan Chase Bank, N.A. as agent, various institutions as lenders and agents, and Saturn as guarantor, GM obtained a $1.5 billion seven-year term loan. Borrowings under the Term Loan Agreement accrue annual interest at the prime rate, the federal funds rate or LIBOR, plus a specified margin, and are guaranteed by Saturn.

113. Additionally, to secure these obligations, pursuant to a collateral agreement, also dated as of November 29, 2006, among GM, Saturn, and the agent, GM and Saturn granted to JP Morgan Chase Bank, N.A., as agent to the Term Loan, a first priority security interest in certain equipment, fixtures, documents, general intangibles, all books and records, and their proceeds.

114. As of the Commencement Date, the Debtors' obligations under the Term Loan Agreement aggregated approximately $1.46 billion, in principal amount.

GELCO Loan and Security Agreement

115. As of the Commencement Date, GM was party to a $150,000,000 Loan and Security Agreement, dated as of October 2, 2006, as amended between GELCO Corporation, as lender, and GM, as borrower (the "GELCO Agreement"). Interest on borrowings under the GELCO Agreement accrues at a rate per annum equal to the three-month LIBOR rate plus 3.0%. To secure GM's obligations under the GELCO Agreement, which provides financing for certain vehicles in GM's "Company Car Program," GM granted to the lender a security interest in the following collateral: (i) Michigan titled program vehicles; (ii) program vehicle inventory; (iii) accounts, chattel paper or general intangibles arising from the sale or disposition of Michigan titled program vehicles or program vehicle inventory; (iv) collection accounts; (v) books and records relating to the foregoing; and (vi) proceeds of the foregoing, including insurance proceeds.

116. As of the Commencement Date, the amount outstanding under the GELCO Agreement was approximately $125 million.

Guarantor of EDC Loan Agreement

117. GM, as well as certain non-Debtor subsidiaries of GMCL (the "Subsidiary Guarantors"), are guarantors of a Loan Agreement among GMCL and EDC and other loan parties, dated April 29, 2009 (the "EDC Loan Agreement"). The EDC Loan Agreement provided GMCL with up to C$3 billion in a three year term loan, to be drawn in C$500 million increments. With certain exceptions, GMCL's obligations under the EDC Loan Agreement are secured by a first lien on substantially all of its unencumbered assets, a second lien on certain of

its assets previously pledged as collateral under the Prepetition Revolving Credit Agreement (as discussed above), and a first lien on its ownership interest in the Subsidiary Guarantors and in the 11% ownership interest of GMCL in General Motors Product Services Inc. (89% of which is owned by GM and is pledged to the U.S. Treasury under the U.S. Treasury Facility). GM's guarantee of GMCL's obligations under the EDC Loan Agreement is secured by a lien on the equity of GMCL. Because 65% of GM's ownership interest in GMCL was previously pledged to the U.S. Treasury under the U.S. Treasury Loan Facility, EDC received a second lien on that 65% of GM's equity interest in GMCL, and a first lien on the previously unencumbered 35%. The Subsidiary Guarantors pledged their respective assets to secure their guarantee of the EDC Loan Agreement.

118. As of the Commencement Date, the amount outstanding under the EDC Loan Agreement was, in U.S. dollars, approximately $400 million.

Debentures

119. As of the Commencement Date, GM, as issuer, and Wilmington Trust Company, as successor indenture trustee, were parties to (i) a Senior Indenture, dated as of December 7, 1995, as amended, and (ii) a Senior Indenture, dated as of November 15, 1990, pursuant to which GM issued senior unsecured debt securities. Such securities were issued in twenty-four tranches, bearing annual interest ranging from 1.5% to 9.45% and maturing from June 1, 2009 to February 15, 2052.

120. As of the Commencement Date, approximately $22.88 billion in principal amount of the debentures remained outstanding.

UAW VEBA Obligations

121. As discussed above, under the terms of the 2008 UAW Settlement Agreement, General Motors was required to contribute approximately $34 billion into the VEBA Trust. In addition, if annual cash flow projections reflect that the UAW VEBA will become insolvent on a rolling 25-year basis, GM would have been required to contribute $165 million annually, limited to a maximum of 20 payments.

122. As of the Commencement Date, the Company's 2005 UAW VEBA-related obligations aggregated approximately $20.56 billion,[10] in principal amount.

Prepetition Fiscal and Paying Agency Agreement

123. As of the Commencement Date, GM was party to a Fiscal and Paying Agency Agreement (the "Fiscal and Paying Agency Agreement"), dated as of July 3, 2003, by and between GM, as issuer, Deutsche Bank AG London as fiscal agent and Bank Général du Luxembourg S.A. as paying agent.

124. Under the Fiscal and Paying Agency Agreement, GM issued €1,000,000,000 of 7.5% unsecured notes due 2013 and €1,500,000,000 of 8.375% unsecured notes due 2033. As of the Commencement Date, the total amount outstanding under the Fiscal and Paying Agency Agreement was, in U.S. dollars, approximately $3.30 billion.

Nova Scotia Fiscal and Paying Agency Agreement

125. As of the Commencement Date, GM was party to a Fiscal and Paying Agency Agreement (the "Nova Scotia Fiscal and Paying Agency Agreement"), dated as of July 10, 2003, by and between nondebtor General Motors Nova Scotia Finance Company ("GM Nova

[10] This liability is estimated as the net present value at a 9% discount rate of future contributions, as of January 1, 2009, and excludes approximately $9.4 billion corresponding to the GM Internal VEBA.

Scotia") as issuer, GM, as guarantor, Deutsche Bank Luxembourg S.A. as fiscal agent and Bank Général du Luxembourg S.A. as paying agent.

126. Under the Nova Scotia Fiscal and Paying Agency Agreement, GM guaranteed the payment by GM Nova Scotia of principal and interest on the £350,000,000 of 8.375% unsecured notes due 2015 and £250,000,000 of 8.875% unsecured notes due 2023 issued by GM Nova Scotia.

127. As of the Commencement Date, the total amount outstanding under the Nova Scotia Fiscal and Paying Agency Agreement is, in U.S. dollars, approximately $853 million.

The Supplier Receivables Facility

128. The Debtors are participants in a supplier receivable facility that the U.S. Treasury created to provide financial security to automobile suppliers in March 2009. The facility is similar to a factoring arrangement whereby suppliers may accelerate payment of receivables or guarantee of payment at maturity for certain fees. To facilitate the facility, GM is obligated to make equity contributions to an SPE that will purchase supplier receivables. GM has pledged its equity interest in the SPE to the U.S. Treasury as additional security for the SPE's performance of its obligations in connection with this program.

129. As of the Commencement Date, GM has contributed approximately $35 million in equity contributions to the SPE. The U.S. Treasury has advanced approximately $700 million in principal amount to the SPE.

Other Indebtedness

130. GM is also a party to various third party financing arrangements, including leveraged leases for equipment, synthetic leases, arrangements related to the financing of central

utilities complexes, and several industrial revenue bond obligations with various local governments.

131. As of the Commencement Date, the Debtors had trade payables of approximately $5.40 billion.

V.

Conclusion

132. The 363 Transaction is the only credible alternative that preserves any value for the Debtors, their employees, and their principal economic stakeholders. Without expeditious approval of the 363 Transaction, the Debtors will have no choice but to cease operations and liquidate their assets with the concomitant draconian impact on the automotive parts suppliers, jobs, dealers, and other interests, causing further deepening of the downturn of the U.S. economy. The 363 Transaction is a critical element of the U.S. Government's plan to revitalize the U.S. automotive industry. The U.S. Government, as GM's largest secured lender, has bargained in good faith with GM to develop and implement the 363 Transaction to create a better, more efficient, innovative manufacturing company that will be a well-regarded major employer and member of the national economic community. It is critical that New GM be able to commence bankruptcy-free operations immediately to salvage the automotive industry and become a major factor in reviving the overall economy. Many consumers will not consider purchasing a vehicle from a manufacturer whose future is uncertain and entangled in an extended bankruptcy process. Any delay in New GM's commencing operations will therefore result in irreversible revenue perishability and loss of market share to the detriment of the Debtors and all economic stakeholders. Indeed, even a short delay would have a prejudicial impact, particularly on GM's suppliers and their employees. The future of New GM as a thriving business must be

established clearly and quickly. The expeditious approval of the 363 Transaction and the DIP financing will make that future a reality.

133. The vicious cycle of frozen credit markets, growing supplier uncertainty and lack of consumer confidence has the potential to unravel the automotive industry and short circuit the creation of New GM as the anchor of that industry. It is, therefore, self-evident that the only means of protecting the U.S. automotive industry is by approval of the 363 Transaction that will permit the Purchased Assets to achieve maximum value and use.

134. As President Obama observed,

> I'm confident that if . . . all of us are doing our part, then this restructuring, as painful as it will be in the short term, will mark not an end, but a new beginning for a great American industry – an auto industry that is once more out-competing the world; a 21st century auto industry that is creating new jobs, unleashing new prosperity, and manufacturing the fuel-efficient cars and trucks that will carry us towards an energy-independent future. I am absolutely committed to working with Congress and the auto companies to meet one goal: The United States of America will lead the world in building the next generation of clean cars.

Presidential Remarks at 3.

VI.

Information Required by Local Rule 1007-2

135. Local Rule 1007-2 requires certain information related to GM, which is set forth below.

136. Pursuant to Local Rule 1007(a)(3), Schedule 1 hereto lists the names and addresses of the members of the Ad Hoc Committee and its attorneys, and provides a brief description of the circumstances surrounding the formation of the Ad Hoc Committee and the date of its formation.

137. Pursuant to Local Rule 1007-2(a)(4), Schedule 2 hereto lists the following information with respect to each of the holders of the Debtors' 50 largest unsecured claims on a consolidated basis, excluding claims of insiders: the creditor's name, address (including the number, street, apartment or suite number, and zip code, if not included in the post office address), and telephone number; the name(s) of persons(s) familiar with the Debtors' accounts, the amount of the claim, and an indication of whether the claim is contingent, unliquidated, disputed, or partially secured.

138. Pursuant to Local Rule 1007-2(a)(5), Schedule 3 hereto provides the following information with respect to each of the holders of the five largest secured claims against the Debtors on a consolidated basis: the creditor's name, address (including the number, street, apartment or suite number, and zip code, if not included in the post office address), and telephone number; the amount of the claim; a brief description of the collateral securing the claim; an estimate of the value of the collateral, and whether the claim or lien is disputed.

139. Pursuant to Local Rule 1007-2(a)(6), Schedule 4 hereto provides a summary of the Debtors' assets and liabilities.

140. Pursuant to Local Rule 1007-2(a)(7), Schedule 5 hereto provides the following information: the number and classes of shares of stock, debentures, and other securities of General Motors that are publicly held and the number of record holders thereof; the number and classes of shares of stock, debentures and other securities of General Motors that are held by the Debtors' directors and officers, and the amounts so held.

141. Pursuant to Local Rule 1007-2(a)(8), Schedule 6 hereto provides a list of all of GM's property in the possession or custody of any custodian, public officer, mortgagee, pledgee, assignee of rents, secured creditor, or agent for any such entity, giving the name,

address, and telephone number of such entity and the location of the court in which any proceeding relating thereto is pending.

142. Pursuant to Local Rule 1007-2(a)(9), Schedule 7 hereto provides a list of the premises owned, leased, or held under other arrangement from which GM operates its businesses.

143. Pursuant to Local Rule 1007-2(a)(10), Schedule 8 hereto provides the location of GM's substantial assets, the location of its books and records, and the nature, location, and value of any assets held by GM outside the territorial limits of the United States.

144. Pursuant to Local Rule 1007-2(a)(11), Schedule 9 hereto provides a list of the nature and present status of each action or proceeding, pending or threatened, against the Debtors or their property.

145. Pursuant to Local Rule 1007-2(a)(12), Schedule 10 hereto provides a list of the names of the individuals who comprise the Debtors' existing senior management, their tenure with the Debtors, and a brief summary of their relevant responsibilities and experience.

146. Pursuant to Local Rule 1007-2(b)(1)-(2)(A), Schedule 11 hereto provides the estimated amount of weekly payroll to GM's employees (not including officers, directors, and stockholders) and the estimated amount to be paid to officers, stockholders, directors, and financial and business consultants retained by GM, for the thirty (30) day period following the filing of the Debtors' chapter 11 petitions.

147. Pursuant to Local Rule 1007-2(b)(3), Schedule 12 hereto provides, for the thirty (30) day period following the filing of the chapter 11 petitions, a list of estimated cash receipts and disbursements, net cash gain or loss, and obligations and receivables expected to accrue that remain unpaid, other than professional fees.

The foregoing is true and correct to the best of my knowledge, information, and belief.

/s/ Frederick A. Henderson
Frederick A. Henderson
President and Chief Executive Officer of
General Motors Corporation

Sworn to and subscribed before me, a notary public for the State of New York, County of New York, this 1st day of June, 2009.

/s/ Kathleen Anne Lee
Notary Public

KATHLEEN ANNE LEE
Notary Public, State of New York
No. 01LE6119251
Qualified in New York County
Commission Expired November 29, 2012

Schedule 1

Ad Hoc Committee

Pursuant to Local Rule 1007-2(a)(3), the following is a list of the attorneys and financial advisors for an unofficial committee of unsecured bondholders, with their respective addresses. The unofficial committee of unsecured bondholders was formed in or about December 2008.

Attorneys	Address
Paul, Weiss, Rifkind, Wharton & Garrison LLP	1285 Avenue of the Americas New York, NY 10019-6064 Attn: Andrew N. Rosenberg

Financial Advisors	Address
Houlihan Lokey Howard & Zukin Capital, Inc.	225 South Sixth Street, Suite 4950 Minneapolis, MN 55402 Attn: P. Eric Siegert

Schedule 2

Consolidated List of 50 Largest Unsecured Claims (Excluding Insiders)[1]

Pursuant to Local Rule 1007-2(a)(4), the following is a list of creditors holding, as of May 31, 2009, the 50 largest noncontingent, unsecured claims against the Debtors, on a consolidated basis, excluding claims of insiders as defined in 11 U.S.C. § 101.

Name of creditor and complete mailing address including zip code	Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted	Nature of claim (trade debt, bank loan, government contract, etc.)	Indicate if claim is contingent, unliquidated, disputed or subject to setoff	Amount of claim [if secured also state value of security]
1. Wilmington Trust Company Rodney Square North 1100 North Market Street Wilmington, DE 19890 United States	Attn: Geoffrey J. Lewis Phone: (302) 636-6438 Fax: (302) 636-4145 Rodney Square North 1100 North Market Street Wilmington, DE 19890 United States	Bond Debt		$22,759,871,912[2]
2. International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW) 8000 East Jefferson Detroit, MI 48214 United States	Attn: Ron Gettlefinger Phone: (313) 926-5201 Fax: (313) 331-4957 8000 East Jefferson Detroit, MI 48214 United States	Employee Obligations		$20,560,000,000[3]

[1] The information herein shall not constitute an admission of liability by, nor is it binding on, the Debtors. All claims are subject to customary offsets, rebates, discounts, reconciliations, credits, and adjustments, which are not reflected on this Schedule.

[2] This amount consolidates Wilmington Trust Company's claims as indenture trustee under the indentures, dated December 7, 1995 ($21,435,281,912) and November 15, 1990 ($1,324,590,000).

[3] This liability is estimated as the net present value at a 9% discount rate of future contributions, as of January 1, 2009, and excludes approximately $9.4 billion corresponding to the GM Internal VEBA.

Name of creditor and complete mailing address including zip code	Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted	Nature of claim (trade debt, bank loan, government contract, etc.)	Indicate if claim is contingent, unliquidated, disputed or subject to setoff	Amount of claim [if secured also state value of security]
3. Deutsche Bank AG, London As Fiscal Agent Theodor-Heuss-Allee 70 Frankfurt, 60262 Germany	Attn: Stuart Harding Phone:(44) 207 547 3533 Fax: (44) 207 547 6149 Winchester House 1 Great Winchester Street London EC2N 2DB England	Bond Debt		$4,444,050,000[4]
4. International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers – Communications Workers of America (IUE-CWA) 3461 Office Park Drive Kettering, OH 45439 United States	Attn: Mr. James Clark Phone: (937) 294-9764 Fax: (937) 298-633 2701 Dryden Road Dayton, OH 45439 United States	Employee Obligations		$2,668,600,000[5]
5. Bank of New York Mellon One Wall Street New York, NY 10286 United States	Attn: Gregory Kinder Phone: (212) 815-2576 Fax: (212) 815-5595 Global Corporate Trust, 101 Barclay, 7W New York, NY 10286 United States	Bond Debt		$175,976,800
6. Starcom Mediavest Group, Inc. 35 W. Wacker Drive Chicago, IL 60601 United States	Attn: Laura Desmond Phone: (312) 220-3550 Fax: (312) 220-6530 35 W. Wacker Drive Chicago, IL 60601 United States	Trade Debt		$121,543,017

[4] The amount includes outstanding bond debt of $4,444,050,000, based on the Eurodollar exchange rates of $1.39.

[5] This liability estimated as the net present value at a 9% discount rate.

Name of creditor and complete mailing address including zip code	Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted	Nature of claim (trade debt, bank loan, government contract, etc.)	Indicate if claim is contingent, unliquidated, disputed or subject to setoff	Amount of claim [if secured also state value of security]
7. Delphi Corp. 5725 Delphi Drive Troy, MI 48098 United States	Attn: Rodney O'Neal Phone: (248) 813-2557 Fax: (248) 813-2560 5725 Delphi Drive Troy, MI 48098 United States	Trade Debt		$110,876,324
8. Robert Bosch GmbH 38000 Hills Tech Drive Farmington Hills, MI 48331 United States	Attn: Franz Fehrenbach Phone: (49 71) 1 811-6220 Fax: (49 71) 1 811-6454 Robert-Bosch-Platz 1 / 70839 Gerlingen-Schillerhoehe, Germany	Trade Debt		$66,245,958
9. Lear Corp. 21557 Telegraph Road Southfield, MI 48033 United States	Attn: Robert Rossiter Phone: (248) 447-1505 Fax: (248) 447-1524 21557 Telegraph Road Southfield, MI 48033 United States	Trade Debt		$44,813,396
10. Renco Group, Inc. 1 Rockefeller Plaza, 29th Floor New York, NY 10020 United States	Attn: Lon Offenbacher Phone: (248) 655-8920 Fax: (248) 655-8903 1401 Crooks Road Troy, MI 48084 United States	Trade Debt		$37,332,506

Name of creditor and complete mailing address including zip code	Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted	Nature of claim (trade debt, bank loan, government contract, etc.)	Indicate if claim is contingent, unliquidated, disputed or subject to setoff	Amount of claim [if secured also state value of security]
11. Enterprise Rent A Car 6929 N Lakewood Ave Suite 100 Tulsa, OK 74117 United States	Attn: Greg Stubblefiled Phone: (314) 512 3226 Fax: (314) 512 4230 600 Corporate Park Drive St. Louis, MO 63105 United States	Trade Debt		$33,095,987
12. Johnson Controls, Inc. 5757 N. Green Bay Avenue Glendale, WI 53209 United States	Attn: Stephen A. Roell Phone: (414)-524-2223 Fax: (414)-524-3000 5757 N. Green Bay Avenue Milwaukee, WI 53201 United States	Trade Debt		$32,830,356
13. Denso Corp. 24777 Denso Drive Southfield, MI 48086 United States	Attn: Haruya Maruyama Phone: (248) 350-7500 Fax: (248) 213-2474 24777 Denso Drive Southfield, MI 48086 United States	Trade Debt		$29,229,047
14. TRW Automotive Holdings, Corp. 12025 Tech Center Dr. Livonia, MI 48150 United States	Attn: John Plant Phone: (734) 855-2660 Fax: (734) 855-2473 12001 Tech Center Drive Livonia, MI 48150 United States	Trade Debt		$27,516,189

Name of creditor and complete mailing address including zip code	Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted	Nature of claim (trade debt, bank loan, government contract, etc.)	Indicate if claim is contingent, unliquidated, disputed or subject to setoff	Amount of claim [if secured also state value of security]
15. Magna International, Inc. 337 Magna Drive Aurora, ON L4G 7K1 Canada	Attn: Don Walker Phone: (905) 726-7040 Fax: (905) 726-2593 337 Magna Drive Aurora, ON L4G 7K1 Canada	Trade Debt		$26,745,489
16. American Axle & Mfg Holdings, Inc. One Dauch Drive Detroit, MI 48211-1198 United States	Attn: Richard Dauch Phone: (313) 758-4213 Fax: (313) 758-4212 One Dauch Drive Detroit, MI 48211 United States	Trade Debt		$26,735,957
17. Maritz Inc. 1375 North Highway Drive Fenton, MO 63099 United States	Attn: Steve Maritz Phone: (636) 827-4700 Fax: (636) 827-2089 1375 North Highway Drive Fenton, MO 63099 United States	Trade Debt		$25,649,158
18. Publicis Groupe S.A. 133 Ave des Champs Elysees Paris, 75008 France	Attn: Maurice Levy Phone: (33 01) 4 443-7000 Fax: (33 01) 4 443-7550 133 Ave des Champs-Elysees Paris, 75008 France	Trade Debt		$25,282,766
19. Hewlett Packard Co. 3000 Hanover Street Palo Alto, CA 94304 United States	Attn: Mike Nefkens Phone: (313) 230 6800 Fax: (313) 230 5705 500 Renaissance Center, MC:20A Detroit, MI 48243 United States	Trade Debt		$17,012,332

Name of creditor and complete mailing address including zip code	Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted	Nature of claim (trade debt, bank loan, government contract, etc.)	Indicate if claim is contingent, unliquidated, disputed or subject to setoff	Amount of claim [if secured also state value of security]
20. Interpublic Group of Companies, Inc. 1114 Avenue of the Americas New York, NY 10036 United States	Attn: Michael Roth Phone: (212) 704-1446 Fax: (212) 704.2270 1114 Avenue of the Americas New York, NY 10036 United States	Trade Debt		$15,998,270
21. Continental AG Vahrenwalder Str. 9 D-30165 Hanover, Germany	Attn: Karl-Thomas Phone: 49-69-7603-2888 Fax: 49-69-7603-3800 Guerickestrasse 7, 60488 Frankfurt 60488 Germany	Trade Debt		$15,539,456
22. Tenneco Inc. 500 North Field Drive Lake Forest, IL 60045 United States	Attn: Gregg Sherrill Phone: (847) 482-5010 Fax: (847) 482-5030 500 North Field Drive Lake Forest, IL 60045 United States	Trade Debt		$14,837,427
23. Yazaki Corp. 6801 Haggerty Road Canton, MI 48187 United States	Attn: George Perry Phone: (734) 983-5186 Fax: (734) 983-5197 6801 Haggerty Road, 48E Canton, MI 48187 United States	Trade Debt		$13,726,367
24. International Automotive Components 5300 Auto Club Drive Dearborn, MI 48126 United States	Attn: James Kamsickas Phone: (313) 253-5208 Fax: (313) 240-3270 5300 Auto Club Drive Dearborn, MI 48126 United States	Trade Debt		$12,083,279

Name of creditor and complete mailing address including zip code	Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted	Nature of claim (trade debt, bank loan, government contract, etc.)	Indicate if claim is contingent, unliquidated, disputed or subject to setoff	Amount of claim [if secured also state value of security]
25. Avis Rental Car 6 Sylvan Way Parsippany, NJ 07054 United States	Attn: Robert Salerno Phone: (973) 496-3514 Fax: (212) 413-1924 6 Sylvan Way Parsippany, NJ 07054 United States	Trade Debt		$12,040,768
26. FMR Corp. 82 Devonshire St Boston, MA 02109 United States	Attn: Robert J. Chersi Phone: (617)563-6611 Fax: (617) 598-9449 82 Devonshire St Boston, MA 02109 United States	Trade Debt		$11,980,946
27. AT&T Corp. 208 South Akard Street Dallas, TX 75202 United States	Attn: Richard G. Lindner Phone: (214) 757-3202 Fax: (214) 746-2102 208 South Akard Street Dallas, TX 75202 United States	Trade Debt		$10,726,376
28. Union Pacific Corp. 1400 Douglas Street Omaha, NE 68179 United States	Attn: Robert M. Knight, Jr. Phone: (402) 544-3295 Fax: (402) 501-2121 1400 Douglas Street Omaha, NE 68179 United States	Trade Debt		$10,620,928
29. Warburg E M Pincus & Co., Inc. 466 Lexington Ave New York, NY 10017 United States	Attn: Joseph P. Landy Phone: (212) 878-0600 Fax: (212) 878-9351 466 Lexington Ave New York, NY 10017 United States	Trade Debt		$10,054,189

Name of creditor and complete mailing address including zip code	Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted	Nature of claim (trade debt, bank loan, government contract, etc.)	Indicate if claim is contingent, unliquidated, disputed or subject to setoff	Amount of claim [if secured also state value of security]
30. Visteon Corp. One Village Center Drive Van Buren Township, MI 48111 United States	Attn: Donald J. Stebbins Phone: (734) 710-7400 Fax: (734) 710-7402 One Village Center Drive Van Buren Twp., MI 48111 United States	Trade Debt		$9,841,774
31. US Steel 600 Grant Street Room 1344 Pittsburgh, PA 15219 United States	Attn: John Surma Phone: (412) 433-1146 Fax: (412) 433-1109 600 Grant Street Room 1344 Pittsburgh, PA 15219 United States	Trade Debt		$9,587,431
32. Arcelor Mittal 19, Avenue De La Liberte Luxembourg, L-2930 Luxembourg	Attn: Lakshmi Mittal Phone: 44 20 7543 1131 Fax: (44 20) 7 629-7993 Berkley Square House, 7th Floor Berkley Square House London, England W1J6DA	Trade Debt		$9,549,212
33. AK Steel Holding, Corp. 9227 Centre Pointe Drive Westchester, OH 45069 United States	Attn: Jim Wainscott Phone: (513) 425-5412 Fax: (513) 425-5815 9227 Centre Pointe Drive Westchester, OH 45069 United States	Trade Debt		$9,116,371
34. CSX Corp. 500 Water Street, 15th Floor Jacksonville, FL 32202 United States	Attn: Oscar Muñoz Phone: (904) 359-1329 Fax: (904) 359-1859 500 Water Street, 15th Floor Jacksonville, FL 32202 United States	Trade Debt		$8,884,846

Name of creditor and complete mailing address including zip code	Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted	Nature of claim (trade debt, bank loan, government contract, etc.)	Indicate if claim is contingent, unliquidated, disputed or subject to setoff	Amount of claim [if secured also state value of security]
35. Hertz Corporation 14501 Hertz Quail Springs Parkway Oklahoma City, OK 73134 United States	Attn: .Elyse Douglas Phone: (201) 450-2292 Fax: (866) 444-4763 225 Brae Boulevard Park Ridge, NJ 07656 United States	Trade Debt		$8,710,291
36. Alpha S.A. de C.V. Ave. Gómez Morín No. 1111 Sur Col. Carrizalejo San Pedro Garza García, N. L. C.P. 66254 Mexico	Attn: Manuel Rivera Phone: (52 81) 8 748 1264 Fax: (52 81) 8 748-1254 Ave. Gómez Morín No. 1111 Sur Col. Carrizalejo San Pedro Garza García, N. L. C.P. 66254 Mexico	Trade Debt		$8,209,133
37. Voith AG 2200 N. Roemer Rd Appleton, WI United States	Attn: Hubert Lienhard Phone: 49 7321 372301 St. Poltener Strasse 43 Heidenheim, D-89522 Germany	Trade Debt		$7,146,187
38. Goodyear Tire & Rubber Co. 1144 E Market St Akron, OH 44316-0001 United States	Attn: Robert Keegan Phone: (330) 796-1145 Fax: (330) 796-2108 1144 East Market Street Akron, OH 44316-0001 United States	Trade Debt		$6,807,312
39. Manufacturers Equipment & Supply Co. 2401 Lapeer Rd Flint, MI 48503-4350 United States	Attn: Greg M. Gruizenga Phone: (800) 373-2173 Fax: (810) 239-5360 2401 Lapeer Rd Flint, MI 48503 United States	Trade Debt		$6,695,777

Name of creditor and complete mailing address including zip code	Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted	Nature of claim (trade debt, bank loan, government contract, etc.)	Indicate if claim is contingent, unliquidated, disputed or subject to setoff	Amount of claim [if secured also state value of security]
40. Severstal O A O 4661 Rotunda Drive P.O. Box 1699 Dearborn, MI 48120 United States	Attn: Gregory Mason Phone: (313) 317-1243 Fax: (313) 337-9373 14661 Rotunda Drive, P.O. Box 1699 Dearborn, MI 48120 United States	Trade Debt		$6,687,993
41. Exxon Mobil Corp. 5959 Las Colinas Boulevard Irving, TX 75039 United States	Attn: James P. Hennessy Phone: (703) 846-7340 Fax: (703) 846-6903 3225 Gallows Road Fairfax, VA 22037 United States	Trade Debt		$6,248,959
42. Hitachi Ltd. 955 Warwick Road P.O. Box 510 Harrodsburg, KY 40330 United States	Attn: Yasuhiko Honda Phone: (81 34) 564-5549 Fax: (81 34) 564-3415 Akihabara Daibiru Building 18-13, Soto-Kanda, 1-Chome Chiyoda-Ku, Tokyo, 101-8608 Japan	Trade Debt		$6,168,651
43. Mando Corp. 4201 Northpark Drive Opelika, AL 36801 United States	Attn: Zung Su Byun Phone: (82 31) 680-6114 Fax: (82 31) 681-6921 343-1, Manho-Ri ,Poseung-Myon, Pyongtaek Kyonggi, South Korea, Korea	Trade Debt		$5,459,945
44. General Physics Corp. 1500 W. Big Beaver Rd. Troy, MI 48084 United States	Attn: Sharon Esposito Mayer Phone: (410) 379-3600 Fax: (410) 540-5302 6095 Marshalee Drive, St. 300 Elkridge, MD 21075 United States	Trade Debt		$5,208,070

Name of creditor and complete mailing address including zip code	Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted	Nature of claim (trade debt, bank loan, government contract, etc.)	Indicate if claim is contingent, unliquidated, disputed or subject to setoff	Amount of claim [if secured also state value of security]
45. Sun Capital Partners, Inc. 5200 Town Center Circle, Suite 600 Boca Raton, FL 33486 United States	Attn: Mr. Kevin Phone: (561) 948-7514 Fax: (561) 394-0540 5200 Town Center Circle, Suite 600 Boca Raton, FL 33486 United States	Trade Debt		$4,747,353
46. Jones Lang Lasalle, Inc. 200 East Randolph Drive Chicago, IL 60601 United States	Attn: Colin Dyer Phone: (312) 228-2004 Fax: (312) 601-1000 200 East Randolph Drive Chicago, IL 60601 United States	Trade Debt		$4,651,141
47. McCann Erickson 238 11 Avenue, SE Calgary, Alberta T2G OX8 Canada	Attn: Gary Lee Phone: (646) 865 2606 Fax: (646) 865 8694 622 3rd Avenue New York, NY 10017 United States	Trade Debt		$4,603,457
48. Flex-N-Gate Corp. 1306 East University Ave. Urbana, IL 61802 United States	Attn: Shahid Khan Phone: (217) 278-2618 Fax: (217) 278-2318 1306 East University Urbana, IL 61802 United States	Trade Debt		$4,490,775
49. Bridgestone Corp. 535 Marriott Drive Nashville, TN 37214 United States	Attn: Shoshi Arakawa Phone: (81 33) 567 0111 Fax: (81 33) 567 9816 10-1 Kyobashi 1-chome Chuo-ku, Tokyo, Japan 104 Japan	Trade Debt		$4,422,763

Name of creditor and complete mailing address including zip code	Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted	Nature of claim (trade debt, bank loan, government contract, etc.)	Indicate if claim is contingent, unliquidated, disputed or subject to setoff	Amount of claim [if secured also state value of security]
50. Cap Gemini America Inc. 623 Fifth Avenue, 33rd Floor New York, NY 10022 United States	Attn: Thierry Delaporte Phone: (212) 314-8327 Fax: (212) 314-8018 623 Fifth Avenue, 33rd Floor New York, NY 10022 United States	$4,415,936 Trade Debt		$4,415,936

Schedule 3

Consolidated List of Holders of 5 Largest Secured Claims

Pursuant to Local Rule 1007-2(a)(5), the following lists the creditors holding, as of May 31, 2009 the five largest secured, noncontingent claims against the Debtors, on a consolidated basis, excluding claims of insiders as defined in 11 U.S.C. § 101.

Creditor[1]	Mailing Address & Phone Number	Amount of Claim (in millions)	Type of Collateral	Value of Collateral	Disputed
1. United States Department of the Treasury	1500 Pennsylvania Avenue Washington, DC 20220	$20,573	(a) all patents, trademarks and copyrights owned by GM or any of its affiliates that are a party to the UST Secured Facility (as defined above), and all rights under any licenses and royalties therefrom; (b) each parcel of real property, the improvements thereon and all personal property owned by GM or any of its affiliates that are a party to the UST Secured Facility (as defined above); (c) all cash and cash equivalents, and all other property from time to time deposited in any account or deposit account and the monies and property in the possession or under the control of GM or any affiliate, representative, agent or correspondent of GM related to the foregoing; (d) all other tangible and intangible personal property of GM (whether or not subject to the Uniform Commercial Code), including, without limitation, all bank and other accounts and all cash and all investments therein, all rights to receive cash and investments, including without limitation, state, federal or local tax refunds, intercompany debt, all proceeds, products, offspring, accessions, rents, profits, income, benefits, substitutions and replacements of and to any of the property of GM; (e) 24.5% common membership interests in GMAC LLC; and (f) 3.6% of preferred GMAC LLC shares.	Undetermined	

[1] The information herein shall not constitute an admission of liability by, nor is it binding on, the Debtors.

Creditor[1]	Mailing Address & Phone Number	Amount of Claim (in millions)	Type of Collateral	Value of Collateral	Disputed
2. Citicorp USA, Inc.	Citicorp USA, Inc. Global Loans Support Services Two Penns Way, Suite 200 New Castle, Delaware 19720 Tel: (212) 994-0961 Attn: Carin Seals	$3,865	In U.S., (a) certain inventory owned by General Motors Corporation and Saturn Corporation; (b) certain receivables owned by the Grantors; (c) 65% of the outstanding capital stock of Controladora General Motors, S.A. de C.V. owned by General Motors Corporation; and (d) chattel paper, documents, general intangibles, books and records, proceeds, supporting obligations, and products of, or attributable to, such inventory, receivables, and pledged stock. In Canada, (a) certain inventory owned by GM Canada; (b) certain other goods, including equipment, machinery, plant, and tools owned by GM Canada; (c) certain accounts, notes, and notes receivable owned by GM Canada; (d) books, accounts, other records, parts, components, and proceeds of, or relating to, such inventory, other goods, accounts, and notes receivable; and (e) certain real property owned by GM Canada.	Undetermined	

Creditor[1]	Mailing Address & Phone Number	Amount of Claim (in millions)	Type of Collateral	Value of Collateral	Disputed
3. JPMorgan Chase Bank, N.A.	JPMorgan Chase Bank Loan & Agency Services 1111 Fannin Street – 10th Floor Houston, Texas 7702 Tel: (713) 750-2938 Attn: Denise Ramon	$1,488	Certain equipment, fixtures, documents, general intangibles, all books and records, and the proceeds thereof, owned by General Motors Corporation and Saturn Corporation.	Undetermined	
4. Export Development Canada	Export Development Canada 161 O'Connor Street Ottawa, Ontario Canada K1A 1K3 Attn: Loans Services	$400[2]	(a) first lien on 35% voting equity interest in GM Canada; (b) second lien on 65% voting equity interest in GM Canada; (b) all property of GM Canada, except for (i) property of GM Canada that is collateral securing the obligations under the Revolving Credit Agreement (as defined above) and (ii) the equity interests owned by GM Canada in any subsidiary other than 1908 Holdings Ltd., Parkwood Holdings Ltd., GM Overseas Funding LLC (the "Subsidiary Guarantors") and General Motors Product Services, Inc.; (c) the equity interests owned by GM Canada in the Subsidiary Guarantors and General Motors Product Services, Inc.; and (d) all property of the Subsidiary Guarantors.	Undetermined	

[2] Foreign currency debt has been converted to U.S. dollars based on April, 29 2009 conversion rates, which is consistent with company practice for financial reporting purposes.

Creditor[1]	Mailing Address & Phone Number	Amount of Claim (in millions)	Type of Collateral	Value of Collateral	Disputed
5. GELCO Corporation	GE Commercial Finance, Fleet Services 3 Capital Drive, Eden Prairie, Minnesota 55344 Attn: General Counsel	$125	(a) Michigan titled program vehicles; (b) program vehicle inventory; (c) accounts, chattel paper or general intangibles arising from the sale or disposition of Michigan titled program vehicles or program vehicle inventory; (d) collection accounts; (e) books and records relating to the foregoing; and (f) proceeds of the foregoing, including insurance proceeds.	Undetermined	

Schedule 4

Condensed Consolidated Balance Sheet[1] (Preliminary, unaudited)
as of March 31, 2009, December 31, 2008, and March 31, 2008

(dollars in millions, except for share data)

[1] This condensed consolidated balance sheet includes subsidiaries controlled by the Debtors and entities for which the Debtors are a primary beneficiary.

	March 31, 2009	December 31, 2008	March 31, 2008
Assets	(unaudited)	(unaudited)	(unaudited)
Current assets			
Cash and cash equivalents	11,448	14,053	21,601
Marketable securities	132	141	2,043
Total cash and marketable securities	11,580	14,194	23,644
Accounts and notes receivable, net	7,567	7,918	10,471
Inventories	11,606	13,195	17,321
Equipment on operating leases, net	3,430	5,142	7,094
Other current assets and deferred income taxes	2,593	3,146	4,142
Total current assets	**$36,776**	**$43,595**	**$62,672**
Non-Current Assets			
Equity in advances to non-consolidated affiliates	2,447	2,146	7,322
Property, net	37,625	39,665	43,294
Goodwill and intangible assets, net	242	265	1,093
Deferred income taxes	89	98	915
Prepaid pension	106	109	20,593
Equipment on operating leases, net	375	442	3,035
Other assets	4,630	4,719	6,784
Total non-current assets	45,514	47,444	83,036
Total Assets	**$82,290**	**$91,039**	**$145,708**
Liabilities and Stockholders' Deficit			
Current liabilities			
Accounts payable (principally trade)	18,253	22,259	29,817
Short-term debt and current portion of long-term debt	22,556	16,920	8,532
Accrued expenses	36,989	36,429	34,806
Total current liabilities	80,798	75,608	73,155
Non-Current Liabilities			
Long-term debt	28,846	29,018	34,757
Postretirement benefits other than pensions	22,503	28,919	46,994
Pensions	24,476	25,178	11,624
Other liabilities and deferred income taxes	16,187	17,392	18,554
Total non-current liabilities	92,012	100,507	111,929
Total Liabilities	**$172,810**	**$176,115**	**$185,084**
Stockholders' Deficit			
Preferred stock, no par value, 6,000,000 shares authorized, no shares issued and outstanding	—	—	—
Preference stock, $0.10 par value, authorized 100,000,000 shares, no shares issued and outstanding			
Common stock, $1⅔ par value (2,000,000,000 shares authorized, 800,937,541 and 610,505,273 shares issued and outstanding at March 31, 2009, respectively, 800,937,541 and 610,483,231 shares issued and outstanding at December 31, 2008, respectively, and 756,637,541 and 566,100,839 shares issued and outstanding at March 31, 2008, respectively)	1,018	1,017	944
Capital surplus (principally additional paid-in capital)	16,489	16,489	16,108
Accumulated deficit	(76,703)	(70,727)	(42,912)
Accumulated other comprehensive loss	(31,946)	(32,339)	(14,490)
Total GM stockholders' deficit	(91,142)	(85,560)	(40,350)
Non-controlling interests	622	484	974
Total stockholders' deficit	(90,520)	(85,076)	(39,376)
Total liabilities and Stockholders' Deficit	**$82,290**	**$91,039**	**$145,708**

Schedule 5

Publicly Held Securities

Pursuant to Local Rule 1007-2(a)(7), the following lists the number and classes of shares of stock, debentures, and other securities of General Motors that are publicly held ("Securities") and the number of holders thereof. The Securities held by General Motors' directors and officers are listed separately.

Common Stock

Type of Security	Number of Shares	Approximate Number of Record Holders	As of
Common stock $1⅔ par value.	610,505,273 shares outstanding	329,407	March 31, 2009

Securities Held By the Debtors' Non-Employee Directors

Name of Non-Employee Director	Number of Shares Owned			As of
	Shares Beneficially owned	Deferred Share Units	Stock Options	
P. N. Barnevik[9]	9,628	41,642	3,000	May 26, 2009
E. B. Bowles	1,000	27,334	0	May 26, 2009
J. H. Bryan	6,603	50,710	9,234	May 26, 2009
A. M. Codina	2,000	45,656	3,000	May 26, 2009
E. B. Davis, Jr.	1,159	15,058	0	May 26, 2009
G. M. C. Fisher	4,752	48,228	6,404	May 26, 2009
E. N. Isdell	2,000	5,898	0	May 26, 2009
K. Katen	6,000	53,249	8,141	May 26, 2009
K. Kresa	8,200	41,073	0	May 26, 2009

[9] Percy N. Barnevik resigned from the GM Board of Directors effective February 3, 2009.

Name of Non-Employee Director	Number of Shares Owned			As of
	Shares Beneficially owned	Deferred Share Units	Stock Options	
P. A. Laskawy	2,000	32,400	0	May 26, 2009
K. V. Marinello	5,000	16,633	0	May 26, 2009
E. Pfeiffer	4,512	48,355	9,234	May 26, 2009

Securities Held By the Debtors' Executive Officers

Name of Executive Officer	Number of Shares Owned			As of
	Shares Beneficially owned	Deferred Share Units	Stock Options	
G. L. Cowger	0	34,622	500,000	May 26, 2009
F. A. Henderson	25,469	144,418	1,180,000	May 26, 2009
R. A. Lutz	0	304,859	1,526,664	May 26, 2009
T. G. Stephens	0	86,699	375,500	May 26, 2009

Unsecured Notes

Type of Security	Approximate Number of Record Holders	As of
8.80% Notes Due March 1, 2021	3,279	May 1, 2009
9.40% Debentures Due July 15, 2021	3,211	May 1, 2009
7.40% Debentures Due September 1, 2025	5,800	May 1, 2009
9.45% Medium-Term Notes Due November 1, 2011	12	May 1, 2009
9.40% Medium-Term Notes Due July 15, 2021	1	May 1, 2009

Type of Security	Approximate Number of Record Holders	As of
7.75% Discount Debentures Due March 15, 2036	544	May 1, 2009
7.70% Debentures Due April 15, 2016	4,376	May 1, 2009
8.10% Debentures Due June 15, 2024	5,503	May 1, 2009
7.25% Quarterly Interest Bonds Due April 15, 2041	14,452	May 1, 2009
7.25% Senior Notes Due July 15, 2041	18,721	May 1, 2009
7.375% Senior Notes Due October 1, 2051	18,674	May 1, 2009
7.250% Senior Notes Due February 15, 2052	19,326	May 1, 2009
7.375% Senior Notes Due May 15, 2048	24,655	May 1, 2009
7.375% Senior Notes Due May 23, 2048	1,257	May 1, 2009
7.125% Senior Notes Due July 15, 2013	7,110	May 1, 2009
8.25% Senior Debentures Due July 15, 2023	8,569	May 1, 2009
8.375% Senior Debentures Due July 15, 2033	10,015	May 1, 2009
7.20% Notes Due January 15, 2011	10,641	May 1, 2009
6 3/4% Debentures Due May 1, 2028	5,069	May 1, 2009
5.25% Series B Convertible Senior Debentures Due March 6, 2032	2,641	May 1, 2009
7.50% Senior Notes Due July 1, 2044	18,917	May 1, 2009
1.50% Series D Convertible Senior Debentures Due June 1, 2009	240	May 1, 2009
4.50% Series A Convertible Senior Debentures due March 6, 2032	21	May 1, 2009
6.25% Series C Convertible Senior Debentures Due July 15, 2033	7,443	May 1, 2009
7.25% Euro Notes Due July 3, 2013	6,875	May 1, 2009
8.375% Euro Notes Due July 5, 2033	5,174	May 1, 2009

Schedule 6

Debtors' Property Not in the Debtors' Possession

Pursuant to Local Rule 1007-2(a)(8), the following lists the Debtors' property that is in the possession or custody of any custodian, public officer, mortgagee, pledge, assignee of rents, secured creditor, or agent for any such entity.

Type of Property	Person or Entity in Possession of the Property	Address & Telephone Number of Person or Entity in Possession of the Property	Location of Court Proceeding, if Applicable
None.			

Schedule 7

Pursuant to Local Rule 1007-2(a)(9), the following lists the property or premises owned, leased, or held under other arrangement from which the Debtors operate their businesses.

Owned or Lease Address	City	State	Zip Code	Country
13303 S Ellsworth	Mesa	Arizona	85201	United States of America
11201 N Tatum Boulevard	Phoenix	Arizona	85028	United States of America
1105 Riverside Drive - Los Angeles	Burbank	California	91506	United States of America
11900 Cabernet Drive	Fontana	California	92337	United States of America
17150 Von Karman Avenue	Irvine	California	92614	United States of America
5350 Biloxi Avenue	North Hollywood	California	91601	United States of America
429 Acacia	Palo Alto	California	94306	United States of America
11276 5th Street	Rancho Cucamonga	California	91730	United States of America
9150 Hermosa Avenue	Rancho Cucamonga	California	91730	United States of America
350 Marine Parkway	Redwood City	California	94065	United States of America
1215 K Street	Sacramento	California	95814	United States of America
475 Brannan Street Suite 450	San Francisco	California	94107	United States of America
14043 Stage Road Bldg A	Santa Fe Springs	California	90670	United States of America
3050 Lomita Boulevard	Torrance	California	90509	United States of America
3300 Industrial Boulevard	West Sacramento	California	95691	United States of America
23400 E. Smith Road	Aurora	Colorado	80019	United States of America
1910 38th Street	Denver	Colorado	80216	United States of America
4750 Kingston Street	Denver	Colorado	80239	United States of America
Two Pickwick Plaza	Greenwich	Connecticut	6830	United States of America

Owned or Lease Address	City	State	Zip Code	Country
25 Massachusetts Avenue N.W.	Washington	District of Columbia	20001	United States of America
2700 North University Drive	Coral Springs	Florida	33065	United States of America
15495 Eagle Nest Lane	Miami Lakes	Florida	33014	United States of America
2901 SW 149th Avenue	Miramar	Florida	33027	United States of America
1275 East Story Road	Winter Garden	Florida	34787	United States of America
1305 Chastain Road NW	Kennesaw	Georgia	30144	United States of America
1355 Remington Boulevard	Bolingbrook	Illinois	60490	United States of America
336 East Ogden Avenue	Hinsdale	Illinois	60521	United States of America
387 Shuman Boulevard	Naperville	Illinois	60563	United States of America
2710 Enterprise Drive	Anderson	Indiana	46013	United States of America
7601 E. 88th Pl	Castleton	Indiana	46256	United States of America
10800 Farley	Overland Park	Kansas	66210	United States of America
4350 Brownsboro Rd.	Louisville	Kentucky	40207	United States of America
100 Foxborough Boulevard	Foxborough	Massachusetts	2035	United States of America
45 Commerce Way	Norton	Massachusetts	02766	United States of America
4134 Davison Road	Burton	Michigan	48509	United States of America
1215 North Center Road	Burton	Michigan	48509	United States of America
48380 Continental Dr	Chesterfield	Michigan	48047	United States of America
3023 Airpark Drive N	Flint	Michigan	48439	United States of America
South Saginaw Street	Flint	Michigan	48507	United States of America
4265 24th Avenue	Fort Gratiot	Michigan	48059	United States of America
4875 Airport Drive Bldgs. 153&430 & Lots 17&20	Kincheloe	Michigan	49788	United States of America
124 West Allegan Street	Lansing	Michigan	48933	United States of America

Owned or Lease Address	City	State	Zip Code	Country
31 East Judson Street	Pontiac	Michigan	48342	United States of America
530 E Service Drive - Detroit Metro Airport	Romulus	Michigan	48242	United States of America
6400 Center Drive	Sterling Heights	Michigan	48312	United States of America
33500 Mound Road	Sterling Heights	Michigan	48310	United States of America
2321 John R Road	Troy	Michigan	48083	United States of America
7111 Eleven Mile Road	Warren	Michigan	48092	United States of America
2625 Tyler Road	Ypsilanti	Michigan	48198	United States of America
1500 Marquette Road	Brandon	Mississippi	39042	United States of America
4407 Meramec Bottom Road	St Louis	Missouri	63129	United States of America
125 Fountain Lakes Industrial Drive	St. Charles	Missouri	63301	United States of America
101 Interstate Drive	Wentzville	Missouri	63385	United States of America
6565 Echo Avenue	Reno	Nevada	89506	United States of America
6 Campus Drive	Parsippany	New Jersey	08837	United States of America
425 Saw Mill River Road	Ardsley	New York	10502	United States of America
34 Norton Street	Honeoye Falls	New York	14472	United States of America
10 Carriage Street	Honeoye Falls	New York	14472	United States of America
153 East 53rd Street	New York	New York	10022	United States of America
1 Pepsi Way P.O. Box 8500	Somers	New York	10589	United States of America
11006 Rushmore Drive	Charlotte	North Carolina	28277	United States of America
10101 Claude Freeman Drive	Charlotte	North Carolina	28262	United States of America
10815 Quality Drive	Charlotte	North Carolina	28278	United States of America
202 Montrose West Blvd.	Copley	Ohio	44321	United States of America
6000 Green Pointe Drive	Groveport	Ohio	43125	United States of America

Owned or Lease Address	City	State	Zip Code	Country
1745 Indian Wood Circle	Maumee	Ohio	46250	United States of America
4246-4254 East River Rd	Moraine	Ohio	45437	United States of America
1038 Matzinger Road	Toledo	Ohio	43612	United States of America
8752 Jacquemin Drive	Westchester	Ohio	45069	United States of America
9287 Meridian Way	Westchester	Ohio	45069	United States of America
200 Cabot Boulevard E	Lang Horne	Pennsylvania	19030	United States of America
851 Duportail Road, GM Bldg- Chesterbrook	Wayne	Pennsylvania	19087	United States of America
300 Executive Center Drive	Greenville	South Carolina	29615	United States of America
5115 Pleasant Hill Road	Memphis	Tennessee	38118	United States of America
7401 E. Ben White Boulevard 3	Austin	Texas	78741	United States of America
1150 Enterprise Dr	Coppell	Texas	75019	United States of America
225 E John Carpenter Fwy	Irving	Texas	75062	United States of America
301 Freedom Drive	Roanoke	Texas	76262	United States of America
4000 General Motors Road	Martinsburg	West Virginia	25401	United States of America
608 Caperton Boulevard	Martinsburg	West Virginia	25401	United States of America
300 North Corporate Drive	Brookfield	Wisconsin	53045	United States of America
2200 Willis Miller Drive	Hudson	Wisconsin	54016	United States of America
1600 Aspen Commons	Middleton	Wisconsin	53562	United States of America
600 Corporate Parkway	Hoover	Alabama	35242	United States of America
1620 East Roseville Parkway	Roseville	California	91765	United States of America
2010 Crow Canyon Place	San Ramon	California	94583	United States of America
8055 East Tufts Avenue Pkwy	Denver	Colorado	80202	United States of America
12751 Gran Bay Parkway West	Jacksonville	Florida	32258	United States of America

Owned or Lease Address	City	State	Zip Code	Country
3030 North Rocky Point Drive	Tampa	Florida	33607	United States of America
11700 Great Oaks Way	Alpharetta	Georgia	30022	United States of America
5975 Castle Creek Parkway	Indianapolis	Indiana	46250	United States of America
20251 Century Blvd	Germantown	Maryland	20874	United States of America
900 North Squirrel Road	Auburn Hills	Michigan	48236	United States of America
4660 S Hagadorn Rd	East Lansing	Michigan	48823	United States of America
5989 Tahoe Drive Southeast	Grand Rapids	Michigan	49512	United States of America
1000 Center	Southfield	Michigan	48075	United States of America
1870 Technology Drive	Troy	Michigan	48083	United States of America
8400 Normandale Lake Boulevard	Bloomington	Minnesota	55437	United States of America
14567 North Outer Forty	Chesterfield	Missouri	63017	United States of America
767 Fifth Avenue	New York	New York	10153	United States of America
100 Corporate Woods	Rochester	New York	14623	United States of America
4900 Koger Boulevard	Greensboro	North Carolina	27404	United States of America
5510 Six Forks Road	Raleigh	North Carolina	27609	United States of America
155 Tri-County Parkway, GM Bldg	Cincinnati	Ohio	45246	United States of America
3104 Unionville Drive	Cranberry Twp	Pennsylvania	16319	United States of America
501 Corporate Centre Drive	Franklin	Tennessee	37067	United States of America
10800 Midlothian Turnpike	Richmond	Virginia	23235	United States of America
400-D Prestige Park	Hurricane	West Virginia	25526	United States of America
801 Boxwood Road PO Box 1512 - 19899	Wilmington	Delaware	19804	United States of America
105 GM Drive	Bedford	Indiana	47421	United States of America
340 White River Parkway West Drive South 50	Indianapolis	Indiana	46206	United States of America

Owned or Lease Address	City	State	Zip Code	Country
2400 W Second Street PO Box 778 - 46952-0036	Marion	Indiana	46952	United States of America
12200 Lafayette Center Road	Roanoke	Indiana	46783	United States of America
3201 Fairfax Trafficway P.O. Box 15278-66115-1397	Kansas City	Kansas	66115	United States of America
600 Corvette Drive PO Box 90006 - 42102-9006	Bowling Green	Kentucky	42101	United States of America
7600 General Motors Boulevard PO Box 30011 - 71130-0011	Shreveport	Louisiana	71130	United States of America
10301 Philadelphia Road	White Marsh	Maryland	21162	United States of America
1001 Woodside Avenue	Bay City	Michigan	48708	United States of America
2500 East Grand Boulevard	Detroit	Michigan	48211	United States of America
G-3100 Van Slyke Road	Flint	Michigan	48551	United States of America
G-2238 West Bristol Road	Flint	Michigan	48553	United States of America
425 S Stevenson Street	Flint	Michigan	48501	United States of America
2100 Bristol Road	Flint	Michigan	48552	United States of America
902 E Hamilton Avenue	Flint	Michigan	48550	United States of America
10800 South Saginaw Street	Grand Blanc	Michigan	48439	United States of America
4555 Giddings Road	Lake Orion	Michigan	48359	United States of America
8175 Millett Hwy	Lansing	Michigan	48917	United States of America
920 Townsend Avenue	Lansing	Michigan	48921	United States of America
8175 Millet Hwy	Lansing	Michigan	48917	United States of America
12200 Middlebelt	Livonia	Michigan	48150	United States of America
55000 Grand River	New Hudson	Michigan	48165	United States of America
2100 S Opdyke Road	Pontiac	Michigan	48341	United States of America
220 East Columbia	Pontiac	Michigan	48340	United States of America

Owned or Lease Address	City	State	Zip Code	Country
36880 Ecorse Road	Romulus	Michigan	48174	United States of America
1629 N Washington Avenue PO Box 5073 - 48605-5073	Saginaw	Michigan	48605	United States of America
6060 W Bristol Road	Swartz Creek	Michigan	48554	United States of America
23500 Mound Road	Warren	Michigan	48091	United States of America
30240 Oak Creek Drive	Wixom	Michigan	48393	United States of America
300 36th Street SW	Wyoming	Michigan	49548	United States of America
2930 Ecorse Road	Ypsilanti	Michigan	48197	United States of America
1500 - 1 E Route A PO Box 444 - 63385-0444	Wentzville	Missouri	63385	United States of America
2995 River Road	Buffalo	New York	14207	United States of America
Route 37 East	Massena	New York	13662	United States of America
26427 State Road, Route 281E PO Box 70 - 43512-0070	Defiance	Ohio	43512	United States of America
2300 Hallock Young Road	Lordstown	Ohio	44481	United States of America
2369 Ellsworth-Bailey Road PO Box 1427 - 44482	Lordstown	Ohio	44482	United States of America
2525 West Fourth Street PO Box 2567 - 44906	Mansfield	Ohio	44906	United States of America
2601 West Stroop Road	Moraine	Ohio	45439	United States of America
5400 Chevrolet Boulevard PO Box 30098	Parma	Ohio	44130	United States of America
1455 West Alexis Road PO Box 909	Toledo	Ohio	43612	United States of America
1451 Lebanon School Road	West Mifflin	Pennsylvania	15122	United States of America
100 Saturn Parkway PO Box 1500 - 37174-1500	Spring Hill	Tennessee	37174	United States of America
2525 East Abram Street	Arlington	Texas	76010	United States of America
11032 Tidewater Trail	Fredericksburg	Virginia	22408	United States of America
1000 General Motors Drive	Janesville	Wisconsin	53546	United States of America

Owned or Lease Address	City	State	Zip Code	Country
TDB	Yuma	Arizona	85365	United States of America
515 Marin Street	Thousand Oaks	California	91360	United States of America
2022 Helena Street, Unit A	Aurora	Colorado	80011	United States of America
6395 Shiloh Road	Alpharetta	Georgia	30005	United States of America
3900 Motors Industrial Way	Doraville	Georgia	30360	United States of America
2915 Pendleton Avenue	Anderson	Indiana	46016	United States of America
17 N. Washington	Kokomo	Indiana	46901	United States of America
100 Kindleberger Road	Fairfax	Kansas	66115	United States of America
50000 Ecorse Road	Belleville	Michigan	48111	United States of America
80 acres at the northwest corner Nixon Road & Milett Highway	Delta Township	Michigan	48921	United States of America
2976-74 West Grand Boulevard	Detroit	Michigan	48202	United States of America
Former Cadillac Site	Detroit	Michigan	48210	United States of America
13940 Tireman	Detroit	Michigan	48202	United States of America
West of Randolph	Detroit	Michigan	48226	United States of America
Bluff Street	Flint	Michigan	48504	United States of America
SEC of Hemphill Rd & Saginaw Rd	Flint	Michigan	48507	United States of America
4002 James Cole Blvd.	Flint	Michigan	48503	United States of America
902 East Hamilton Avenue	Flint	Michigan	48550	United States of America
10800 S. Saginaw Road	Flint	Michigan	48550	United States of America
6200 Grand Pointe Drive	Grand Blanc	Michigan	48439	United States of America
2801 West Saginaw Street	Lansing	Michigan	48917	United States of America
2901 South Canal Road	Lansing	Michigan	48921	United States of America
2800 West Saginaw Street	Lansing	Michigan	48921	United States of America

Owned or Lease Address	City	State	Zip Code	Country
4400 West Mount Hope Road	Lansing	Michigan	48917	United States of America
12950 Eckles Road	Livonia	Michigan	48151	United States of America
3300 General Motors Road	Milford	Michigan	48380	United States of America
652 Meadow Drive	Pontiac	Michigan	48341	United States of America
Baseball Pk N of Columbia	Pontiac	Michigan	48340	United States of America
642 Meadow Drive	Pontiac	Michigan	48341	United States of America
631 Meadow Drive	Pontiac	Michigan	48341	United States of America
607 Meadow Drive	Pontiac	Michigan	48341	United States of America
675 Oakland Avenue	Pontiac	Michigan	48342	United States of America
Centerpoint Blvd S. of South Blvd	Pontiac	Michigan	48341	United States of America
200 South Boulevard West	Pontiac	Michigan	48341	United States of America
1999 Center Point Parkway East	Pontiac	Michigan	48341	United States of America
660 South Boulevard East	Pontiac	Michigan	48341	United States of America
65 University Drive	Pontiac	Michigan	48342	United States of America
895 Joslyn Road	Pontiac	Michigan	48340	United States of America
1251 Joslyn Road	Pontiac	Michigan	48340	United States of America
900 Baldwin Avenue	Pontiac	Michigan	48340	United States of America
2000 Centerpoint Parkway	Pontiac	Michigan	48341	United States of America
37350 Ecorse Road	Romulus	Michigan	48174	United States of America
700 Garey Street	Saginaw	Michigan	48601	United States of America
77 West Center Street	Saginaw	Michigan	48605	United States of America
2100 Veterans Memorial Pkwy	Saginaw	Michigan	48605	United States of America
30800 Mound Road	Warren	Michigan	48090	United States of America

Owned or Lease Address	City	State	Zip Code	Country
5260 Williams Lake Road	Waterford	Michigan	48329	United States of America
2901 Tyler Road	Ypsilanti	Michigan	48197	United States of America
1445 Parkway Avenue Trenton\Ewing Township	Ewing	New Jersey	08628	United States of America
Beekman Ave @ Railroad Way	Sleepy Hollow	New York	10591	United States of America
One General Motors Circle	Syracuse	New York	13206	United States of America
1829 Hallock Young Road	Lordstown	Ohio	44481	United States of America
15005 SW Tualatin Valley Highway	Beaverton	Oregon	97006	United States of America
Rippavilla Mansion 5700 Main St. Spring Hill	Maury County	Tennessee	37174	United States of America
Vacant Land Maury County	Spring Hill	Tennessee	37174	United States of America
Garland Road at Shiloh Road	Garland	Texas	75041	United States of America
13701 Mines Road	Laredo	Texas	78040	United States of America

Schedule 8

Location of Debtors' Assets, Books, and Records

Pursuant to Local Rule 1007-2(a)(10), the following lists the locations of the Debtors' substantial assets, the location of its books and records, and the nature, location, and value of any assets held by the Debtors outside the territorial limits of the United States.

Location of Debtors' Substantial Assets

The Debtors have assets worldwide of more than $82 billion, with substantial assets in Detroit, Michigan and New York, New York.

Books and Records

The Debtors' books and records are located in Detroit, Michigan and New York, New York.

Debtors' Assets Outside the United States

The Debtors have significant assets worldwide of more than $82 billion, including significant assets held outside the United States through direct and indirect subsidiaries of General Motors Corporation.

Schedule 9

Litigation

Pursuant to Local Rule 1007-2(a)(11), the following is a list of the nature and present status of each action or proceeding, pending or threatened, against the Debtors or their properties where a judgment against the Debtors or a seizure of their property may be imminent.

Action or Proceeding	Nature of the Action	Status of the Action
None.		

Schedule 10

Senior Management

Pursuant to Local Rule 1007-2(a)(12), the following provides the names of the individuals who comprise the Debtors' existing senior management, a description of their tenure with the Debtors, and a brief summary of their relevant responsibilities and experience.

General Motors Corporation's Senior Management

Name / Position	Experience / Responsibilities
Fredrick A. Henderson *President and Chief Executive Officer*	Frederick A. Henderson became President and Chief Operating Officer for General Motors on March 29, 2009. Prior to that, he had been President and Chief Operating Officer, since March 3, 2008. Mr. Henderson was Vice Chairman and Chief Financial Officer, and previously, a GM Group Vice President and Chairman of GM Europe. Mr. Henderson has been associated with GM since 1984. He was named GM Group Vice President and President of GM Asia Pacific effective January 1, 2002. Effective June 1, 2004, he was appointed Group Vice President and Chairman of GM Europe.
Robert A. Lutz *Vice Chairman, Senior Advisor*	Robert A. Lutz was named Vice Chairman and Senior Advisor on April 1, 2009. Prior to that, Mr. Lutz was Vice Chairman of Product Development of General Motors, effective September 1, 2001. He was named Chairman of GM North America on November 13, 2001, and served in that capacity until April 4, 2005, when he assumed responsibility for Global Product Development. He also served as president of GM Europe on an interim basis from March to June 2004. Mr. Lutz plans to retire at the end of 2009.
Thomas G. Stephens *Vice Chairman, Global Product Development*	Thomas G. Stephens became Vice Chairman, Global Product Development on April 1, 2009. Prior to that, he was the Executive Vice President of GM Global Powertrain and Global Quality since March 3, 2008. Mr. Stephens joined General Motors in 1969 and was appointed Group Vice President for GM Global Powertrain and Global Quality in 2007.

Name / Position	Experience / Responsibilities
Ray G. Young *Executive Vice President and Chief Financial Officer*	Ray G. Young was named Executive Vice President and Chief Financial Officer on March 3, 2008. Prior to his promotion, Mr. Young was Group Vice President, Finance. He joined General Motors at General Motors' Canadian headquarters in Oshawa, Ontario in 1986. In his previous post, Mr. Young was President and Managing Director of GM do Brasil and Mercosur Operations, beginning in January 2004, and prior to that served as chief financial officer of GM North America.

Saturn Corporation's Senior Management

Name / Position	Experience / Responsibilities
Jill A. Lajdziak *President*	Jill A. Lajdziak is the President of Saturn Corporation and she was elected to this position on September 30, 2008. She is also the General Manager of Saturn Division, General Motors Corporation.
Harvey G. Thomas *Vice President*	Harvey G. Thomas is currently a Vice President of Saturn Corporation.
Deborah F. Collins *Vice President, General Counsel & Secretary*	Deborah F. Collins is a Vice President, General Counsel and Secretary of Saturn Corporation and she was elected to these positions on March 31, 2008. She is also an Attorney on the General Motors Corporation Legal Staff.
Dennis J. Barber *Treasurer*	Dennis J. Barber is currently the Treasurer of Saturn Corporation. He is also a Regional Finance Manager of General Motors Corporation's North American IPC & Dealer Network unit.
Raymond Wexler *Chief Tax Officer*	Raymond Wexler is the Chief Tax Officer of Saturn Corporation and he was elected to this position on August 1, 2006. He is also the Chief Tax Officer of General Motors Corporation.
Timothy G. Gorbatoff *Assistant Secretary*	Timothy G. Gorbatoff is an Assistant Secretary of Saturn Corporation and he was elected to this position on January 1, 2000. He is also an Attorney on the General Motors Corporation Legal Staff.
Barbara A. Lister-Tait *Assistant Secretary*	Barbara A. Lister-Tait is currently an Assistant Secretary of Saturn Corporation. She is also a Senior Staff Assistant on the General Motors Corporation Legal Staff.

Name / Position	Experience / Responsibilities
Deanna Petkoff *Assistant Secretary*	Deanna Petkoff is an Assistant Secretary of Saturn Corporation and she was elected to this position on September 30, 2008. She is also a Legal Assistant on the General Motors Corporation Legal Staff.

Saturn Distribution Corporation's Senior Management

Name / Position	Experience / Responsibilities
Jill A. Lajdziak *President*	Jill A. Lajdziak is currently the President of Saturn Distribution Corporation. She is also the General Manager of Saturn Division, General Motors Corporation.
Keith C. Best *Vice President*	Keith C. Best is a Vice President of Saturn Distribution Corporation and he was elected to this position on September 22, 2008. He is also a Regional Sales and Marketing Manager for the South Central Region of Saturn Division, General Motors Corporation.
Ann N. Blakney *Vice President*	Ann N. Blakney is a Vice President of Saturn Distribution Corporation and she was elected to this position on September 22, 2008.
Deborah F. Collins *Vice President, General Counsel & Secretary*	Deborah F. Collins is a Vice President, General Counsel and Secretary of Saturn Distribution Corporation and she was elected to these positions on September 22, 2008. She is also an Attorney on the General Motors Corporation Legal Staff.
James L. Craner *Vice President*	James L. Craner is currently a Vice President of Saturn Distribution Corporation. He is also a Director of Sales Operations for Saturn Division, General Motors Corporation.
John F. Minarick *Vice President*	John F. Minarick is currently a Vice President of Saturn Distribution Corporation. He is also a Regional Sales and Marketing Manager for the North Central Region of Saturn Division, General Motors Corporation.
Thomas A. Mudry *Vice President*	Thomas A. Mudry is a Vice President of Saturn Distribution Corporation and he was elected to this position on September 22, 2008. He is also a Regional Sales and Marketing Manager for the South Eastern Region of Saturn Division, General Motors Corporation.

Name / Position	Experience / Responsibilities
Jonathon C. Skidmore *Vice President*	Jonathon C. Skidmore is a Vice President of Saturn Distribution Corporation and he was elected to this position on September 22, 2008. He is also a Regional Sales and Marketing Manager for the North Eastern Region of Saturn Division, General Motors Corporation.
Sterling J. Wesley *Vice President*	Sterling J. Wesley is a Vice President of Saturn Distribution Corporation and he was elected to this position on September 22, 2008. He is also the General Sales Manager of Saturn Division, General Motors Corporation.
Edward J. Toporzycki *Treasurer*	Edward J. Toporzycki is the Treasurer of Saturn Distribution Corporation and he was elected to this position on September 22, 2008. He is also an Executive Director of General Motors Corporation's North American Vehicle Sales, Service and Marketing Finance unit.
Raymond Wexler *Chief Tax Officer*	Raymond Wexler is the Chief Finance Officer of Saturn Distribution Corporation and he was elected to this position on August 1, 2006. He is also the Chief Tax Officer of General Motors Corporation.
Barbara A. Lister-Tait *Assistant Secretary*	Barbara A. Lister-Tait is currently an Assistant Secretary of Saturn Distribution Corporation. She is also a Senior Staff Assistant on the General Motors Corporation Legal Staff.
Deanna Petkoff *Assistant Secretary*	Deanna Petkoff is an Assistant Secretary of Saturn Distribution Corporation and she was elected to this position on September 22, 2008. She is also a Legal Assistant on the General Motors Corporation Legal Staff.

Chevrolet-Saturn of Harlem, Inc.

Name / Position	Experience / Responsibilities
Michael A. Garrick *President*	Michael A. Garrick is currently the President of Chevrolet-Saturn of Harlem Inc. and was elected to this position on December 21, 2006. Prior to that, Mr. Garrick worked for General Motors Corporation for over 32 years.
Joanna Lopez *Secretary and Treasury*	Joanna Lopez is currently the Secretary and Treasury of Chevrolet-Saturn of Harlem Inc. and was elected to this position on May 1, 2007.

Schedule 11

Payroll

Pursuant to Local Rule 1007-2(b)(1)-(2)(A) and (C), the following provides the estimated amount of weekly payroll to the Debtors' employees (not including officers, directors, and stockholders) and the estimated amount to be paid to officers, stockholders, directors, and financial and business consultants retained by the Debtors, for the 30-day period following the filing of the chapter 11 petitions.

Payments to Employees (Not Including Officers, Directors, and Stockholders)	$110 million [1]
Payments to Officers, Stockholders, and Directors	$0.2 million [2]
Payments to Financial and Business Consultants	$34 million [3]

[1] Includes the estimated weekly gross payroll for employees, not including officers, directors, and stockholders.

[2] Comprises approximately $195,766 of payroll for executive officers, and $0 for directors' fees.

[3] This does not include any payments to attorneys or auditors.

Schedule 12

Cash Receipts and Disbursements,
Net Cash Gain or Loss, Unpaid Obligations and Receivables

Pursuant to Local Rule 1007-2(b)(3), the following provides, for the 30-day period following the filing of the chapter 11 petition, the estimated cash receipts and disbursements, net cash gain or loss, and obligations and receivables expected to accrue that remain unpaid, other than professional fees.

Cash Receipts	$2.1 billion
Cash Disbursements	$7.8 billion
Net Cash Gain or Loss	$5.7 billion
Unpaid Obligations	$6.0 billion
Unpaid Receivables	$2.2 billion

EXHIBIT B

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re	:	**Chapter 11 Case No.**
GENERAL MOTORS CORP., *et al.*,	:	**09-50026 (REG)**
Debtors.	:	**(Jointly Administered)**

ORDER (I) AUTHORIZING SALE OF ASSETS PURSUANT TO AMENDED AND RESTATED MASTER SALE AND PURCHASE AGREEMENT WITH NGMCO, INC., A U.S. TREASURY-SPONSORED PURCHASER; (II) AUTHORIZING ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED LEASES IN CONNECTION WITH THE SALE; AND (III) GRANTING RELATED RELIEF

Upon the motion, dated June 1, 2009 (the "**Motion**"), of General Motors Corporation ("**GM**") and its affiliated debtors, as debtors in possession (collectively, the "**Debtors**"), pursuant to sections 105, 363, and 365 of title 11, United States Code (the "**Bankruptcy Code**") and Rules 2002, 6004, and 6006 of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**") for, among other things, entry of an order authorizing and approving (A) that certain Amended and Restated Master Sale and Purchase Agreement, dated as of June 26, 2009, by and among GM and its Debtor subsidiaries (collectively, the "**Sellers**") and NGMCO, Inc., as successor in interest to Vehicle Acquisition Holdings LLC (the "**Purchaser**"), a purchaser sponsored by the United States Department of the Treasury (the "**U.S. Treasury**"), together with all related documents and agreements as well as all exhibits, schedules, and addenda thereto (as amended, the "**MPA**"), a copy of which is annexed hereto as Exhibit "A" (excluding the exhibits and schedules thereto); (B) the sale of the Purchased Assets[1] to the

[1] Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to such terms in the Motion or the MPA.

Purchaser free and clear of liens, claims, encumbrances, and interests (other than Permitted Encumbrances), including rights or claims based on any successor or transferee liability; (C) the assumption and assignment of the Assumable Executory Contracts; (D) the establishment of certain Cure Amounts; and (E) the UAW Retiree Settlement Agreement (as defined below); and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334 and the Standing Order M-61 Referring to Bankruptcy Judges for the Southern District of New York of Any and All Proceedings Under Title 11, dated July 10, 1984 (Ward, Acting C.J.); and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided in accordance with this Court's Order, dated June 2, 2009 (the "**Sale Procedures Order**"), and it appearing that no other or further notice need be provided; and a hearing having been held on June 30 through July 2, 2009, to consider the relief requested in the Motion (the "**Sale Hearing**"); and upon the record of the Sale Hearing, including all affidavits and declarations submitted in connection therewith, and all of the proceedings had before the Court; and the Court having reviewed the Motion and all objections thereto (the "**Objections**") and found and determined that the relief sought in the Motion is necessary to avoid immediate and irreparable harm to the Debtors and their estates, as contemplated by Bankruptcy Rule 6003 and is in the best interests of the Debtors, their estates and creditors, and other parties in interest and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is

FOUND AND DETERMINED THAT:

A. The findings and conclusions set forth herein and in the Court's Decision dated July 5, 2009 (the "**Decision**") constitute the Court's findings of fact and conclusions of law pursuant to Fed. R. Bankr. P. 7052, made applicable to this proceeding pursuant to Fed. R. Bankr. P. 9014.

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B. To the extent any of the following findings of fact or Findings of Fact in the Decision constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law or Conclusions of Law in the Decision constitute findings of fact, they are adopted as such.

C. This Court has jurisdiction over the Motion, the MPA, and the 363 Transaction pursuant to 28 U.S.C. §§ 157 and 1334, and this matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A) and (N). Venue of these cases and the Motion in this District is proper under 28 U.S.C. §§ 1408 and 1409.

D. The statutory predicates for the relief sought in the Motion are sections 105(a), 363, and 365 of the Bankruptcy Code as supplemented by Bankruptcy Rules 2002, 6004, and 6006.

E. As evidenced by the affidavits and certificates of service and Publication Notice previously filed with the Court, in light of the exigent circumstances of these chapter 11 cases and the wasting nature of the Purchased Assets and based on the representations of counsel at the Sale Procedures Hearing and the Sale Hearing, (i) proper, timely, adequate, and sufficient notice of the Motion, the Sale Procedures, the 363 Transaction, the procedures for assuming and assigning the Assumable Executory Contracts as described in the Sale Procedures Order and as modified herein (the "**Modified Assumption and Assignment Procedures**"), the UAW Retiree

Settlement Agreement, and the Sale Hearing have been provided in accordance with Bankruptcy Rules 2002(a), 6004(a), and 6006(c) and in compliance with the Sale Procedures Order; (ii) such notice was good and sufficient, reasonable, and appropriate under the particular circumstances of these chapter 11 cases, and reasonably calculated to reach and apprise all holders of liens, claims, encumbrances, and other interests, including rights or claims based on any successor or transferee liability, about the Sale Procedures, the sale of the Purchased Assets, the 363 Transaction, and the assumption and assignment of the Assumable Executory Contracts, and to reach all UAW-Represented Retirees about the UAW Retiree Settlement Agreement and the terms of that certain Letter Agreement, dated May 29, 2009, between GM, the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (the "**UAW**"), and Stember, Feinstein, Doyle & Payne, LLC (the "**UAW Claims Agreement**") relating thereto; and (iii) no other or further notice of the Motion, the 363 Transaction, the Sale Procedures, the Modified Assumption and Assignment Procedures, the UAW Retiree Settlement Agreement, the UAW Claims Agreement, and the Sale Hearing or any matters in connection therewith is or shall be required. With respect to parties who may have claims against the Debtors, but whose identities are not reasonably ascertainable by the Debtors (including, but not limited to, potential contingent warranty claims against the Debtors), the Publication Notice was sufficient and reasonably calculated under the circumstances to reach such parties.

F. On June 1, 2009, this Court entered the Sale Procedures Order approving the Sale Procedures for the Purchased Assets. The Sale Procedures provided a full, fair, and reasonable opportunity for any entity to make an offer to purchase the Purchased Assets. The Debtors received no bids under the Sale Procedures for the Purchased Assets. Therefore, the Purchaser's bid was designated as the Successful Bid pursuant to the Sale Procedures Order.

G. As demonstrated by (i) the Motion, (ii) the testimony and other evidence proffered or adduced at the Sale Hearing, and (iii) the representations of counsel made on the record at the Sale Hearing, in light of the exigent circumstances presented, (a) the Debtors have adequately marketed the Purchased Assets and conducted the sale process in compliance with the Sale Procedures Order; (b) a reasonable opportunity has been given to any interested party to make a higher or better offer for the Purchased Assets; (c) the consideration provided for in the MPA constitutes the highest or otherwise best offer for the Purchased Assets and provides fair and reasonable consideration for the Purchased Assets; (d) the 363 Transaction is a sale of deteriorating assets and the only alternative to liquidation available for the Debtors; (e) if the 363 Transaction is not approved, the Debtors will be forced to cease operations altogether; (f) the failure to approve the 363 Transaction promptly will lead to systemic failure and dire consequences, including the loss of hundreds of thousands of auto-related jobs; (g) prompt approval of the 363 Transaction is the only means to preserve and maximize the value of the Debtors' assets; (h) the 363 Transaction maximizes fair value for the Debtors' parties in interest; (i) the Debtors are receiving fair value for the assets being sold; (j) the 363 Transaction will provide a greater recovery for the Debtors' creditors than would be provided by any other practical available alternative, including liquidation under chapters 7 or 11 of the Bankruptcy Code; (k) no other entity has offered to purchase the Purchased Assets for greater economic value to the Debtors or their estates; (l) the consideration to be paid by the Purchaser under the MPA exceeds the liquidation value of the Purchased Assets; and (m) the Debtors' determination that the MPA constitutes the highest or best offer for the Purchased Assets and that the 363 Transaction represents a better alternative for the Debtors' parties in interest than an immediate liquidation constitute valid and sound exercises of the Debtors' business judgment.

H. The actions represented to be taken by the Sellers and the Purchaser are appropriate under the circumstances of these chapter 11 cases and are in the best interests of the Debtors, their estates and creditors, and other parties in interest.

I. Approval of the MPA and consummation of the 363 Transaction at this time is in the best interests of the Debtors, their creditors, their estates, and all other parties in interest.

J. The Debtors have demonstrated compelling circumstances and a good, sufficient, and sound business purpose and justification for the sale of the Purchased Assets pursuant to the 363 Transaction prior to, and outside of, a plan of reorganization and for the immediate approval of the MPA and the 363 Transaction because, among other things, the Debtors' estates will suffer immediate and irreparable harm if the relief requested in the Motion is not granted on an expedited basis. In light of the exigent circumstances of these chapter 11 cases and the risk of deterioration in the going concern value of the Purchased Assets pending the 363 Transaction, time is of the essence in (i) consummating the 363 Transaction, (ii) preserving the viability of the Debtors' businesses as going concerns, and (iii) minimizing the widespread and adverse economic consequences for the Debtors, their estates, their creditors, employees, the automotive industry, and the national economy that would be threatened by protracted proceedings in these chapter 11 cases.

K. The consideration provided by the Purchaser pursuant to the MPA (i) is fair and reasonable, (ii) is the highest and best offer for the Purchased Assets, (iii) will provide a greater recovery to the Debtors' estates than would be provided by any other available alternative, and (iv) constitutes reasonably equivalent value and fair consideration under the Bankruptcy Code and under the laws of the United States, any state, territory, possession, or the District of Columbia.

L. The 363 Transaction must be approved and consummated as promptly as practicable in order to preserve the viability of the business to which the Purchased Assets relate as a going concern.

M. The MPA was not entered into and none of the Debtors, the Purchaser, or the Purchasers' present or contemplated owners have entered into the MPA or propose to consummate the 363 Transaction for the purpose of hindering, delaying, or defrauding the Debtors' present or future creditors. None of the Debtors, the Purchaser, nor the Purchaser's present or contemplated owners is entering into the MPA or proposing to consummate the 363 Transaction fraudulently for the purpose of statutory and common law fraudulent conveyance and fraudulent transfer claims whether under the Bankruptcy Code or under the laws of the United States, any state, territory, or possession thereof, or the District of Columbia, or any other applicable jurisdiction with laws substantially similar to any of the foregoing.

N. In light of the extensive prepetition negotiations culminating in the MPA, the Purchaser's commitment to consummate the 363 Transaction is clear without the need to provide a good faith deposit.

O. Each Debtor (i) has full corporate power and authority to execute the MPA and all other documents contemplated thereby, and the sale of the Purchased Assets has been duly and validly authorized by all necessary corporate action of each of the Debtors, (ii) has all of the corporate power and authority necessary to consummate the transactions contemplated by the MPA, (iii) has taken all corporate action necessary to authorize and approve the MPA and the consummation by the Debtors of the transactions contemplated thereby, and (iv) subject to entry of this Order, needs no consents or approvals, other than those expressly provided for in the MPA which may be waived by the Purchaser, to consummate such transactions.

P. The consummation of the 363 Transaction outside of a plan of reorganization pursuant to the MPA neither impermissibly restructures the rights of the Debtors' creditors, allocates or distributes any of the sale proceeds, nor impermissibly dictates the terms of a liquidating plan of reorganization for the Debtors. The 363 Transaction does not constitute a *sub rosa* plan of reorganization. The 363 Transaction in no way dictates distribution of the Debtors' property to creditors and does not impinge upon any chapter 11 plan that may be confirmed.

Q. The MPA and the 363 Transaction were negotiated, proposed, and entered into by the Sellers and the Purchaser without collusion, in good faith, and from arm's-length bargaining positions. Neither the Sellers, the Purchaser, the U.S. Treasury, nor their respective agents, officials, personnel, representatives, and advisors, has engaged in any conduct that would cause or permit the MPA to be avoided under 11 U.S.C. § 363(n).

R. The Purchaser is a newly-formed Delaware corporation that, as of the date of the Sale Hearing, is wholly-owned by the U.S. Treasury. The Purchaser is a good faith purchaser under section 363(m) of the Bankruptcy Code and, as such, is entitled to all of the protections afforded thereby.

S. Neither the Purchaser, the U.S. Treasury, nor their respective agents, officials, personnel, representatives, or advisors is an "insider" of any of the Debtors, as that term is defined in section 101(31) of the Bankruptcy Code.

T. Upon the Closing of the 363 Transaction, the Debtors will transfer to the Purchaser substantially all of its assets. In exchange, the Purchaser will provide the Debtors with (i) cancellation of billions of dollars in secured debt; (ii) assumption by the Purchaser of a portion of the Debtors' business obligations and liabilities that the Purchaser will satisfy; and (iii) no less than 10% of the Common Stock of the Purchaser as of the Closing (100% of which the

Debtors' retained financial advisor values at between $38 billion and $48 billion) and warrants to purchase an additional 15% of the Common Stock of the Purchaser as of the Closing, the combination of which the Debtors' retained financial advisor values at between $7.4 billion and $9.8 billion (which amount, for the avoidance of doubt, does not include any amount for the Adjustment Shares).

U. The Purchaser, not the Debtors, has determined its ownership composition and capital structure. The Purchaser will assign ownership interests to certain parties based on the Purchaser's belief that the transfer is necessary to conduct its business going forward, that the transfer is to attain goodwill and consumer confidence for the Purchaser and to increase the Purchaser's sales after completion of the 363 Transaction. The assignment by the Purchaser of ownership interests is neither a distribution of estate assets, discrimination by the Debtors on account of prepetition claims, nor the assignment of proceeds from the sale of the Debtors' assets. The assignment of equity to the New VEBA (as defined in the UAW Retiree Settlement Agreement) and 7176384 Canada Inc. is the product of separately negotiated arm's-length agreements between the Purchaser and its equity holders and their respective representatives and advisors. Likewise, the value that the Debtors will receive on consummation of the 363 Transaction is the product of arm's-length negotiations between the Debtors, the Purchaser, the U.S. Treasury, and their respective representatives and advisors.

V. The U.S. Treasury and Export Development Canada ("**EDC**"), on behalf of the Governments of Canada and Ontario, have extended credit to, and acquired a security interest in, the assets of the Debtors as set forth in the DIP Facility and as authorized by the interim and final orders approving the DIP Facility (Docket Nos. 292 and 2529, respectively). Before entering into the DIP Facility and the Loan and Security Agreement, dated as of December 31, 2008 (the "**Existing UST Loan Agreement**"), the Secretary of the Treasury, in

consultation with the Chairman of the Board of Governors of the Federal Reserve System and as communicated to the appropriate committees of Congress, found that the extension of credit to the Debtors is "necessary to promote financial market stability," and is a valid use of funds pursuant to the statutory authority granted to the Secretary of the Treasury under the Emergency Economic Stabilization Act of 2008, 12 U.S.C. §§ 5201 et seq. ("**EESA**"). The U.S. Treasury's extension of credit to, and resulting security interest in, the Debtors, as set forth in the DIP Facility and the Existing UST Loan Agreement and as authorized in the interim and final orders approving the DIP Facility, is a valid use of funds pursuant to EESA.

W. The DIP Facility and the Existing UST Loan Agreement are loans and shall not be recharacterized. The Court has already approved the DIP Facility. The Existing UST Loan Agreement bears the undisputed hallmarks of a loan, not an equity investment. Among other things:

(i) The U.S. Treasury structured its prepetition transactions with GM as (a) a loan, made pursuant to and governed by the Existing UST Loan Agreement, in addition to (b) a separate, and separately documented, equity component in the form of warrants;

(ii) The Existing UST Loan Agreement has customary terms and covenants of a loan rather than an equity investment. For example, the Existing UST Loan Agreement contains provisions for repayment and pre-payment, and provides for remedies in the event of a default;

(iii) The Existing UST Loan Agreement is secured by first liens (subject to certain permitted encumbrances) on GM's and the guarantors' equity interests in most of their domestic subsidiaries and certain of their foreign subsidiaries (limited in most cases to 65% of the equity interests of the pledged foreign subsidiaries), intellectual property, domestic real estate (other than manufacturing plants or facilities) inventory that was not pledged to other lenders, and cash and cash equivalents in the United States;

(iv) The U.S. Treasury also received junior liens on certain additional collateral, and thus, its claim for recovery on such collateral under the Existing UST Loan Agreement is, in part, junior to the claims of other creditors;

(v) the Existing UST Loan Agreement requires the grant of security by its terms, as well as by separate collateral documents, including: (a) a guaranty and

security agreement, (b) an equity pledge agreement, (c) mortgages and deeds of trust, and (d) an intellectual property pledge agreement;

(vi) Loans under the Existing UST Loan Agreement are interest-bearing with a rate of 3.00% over the 3-month LIBOR with a LIBOR floor of 2.00%. The Default Rate on this loan is 5.00% above the non-default rate.

(vii) The U.S. Treasury always treated the loans under the Existing UST Loan Agreement as debt, and advances to GM under the Existing Loan Agreement were conditioned upon GM's demonstration to the United States Government of a viable plan to regain competitiveness and repay the loans.

(viii) The U.S. Treasury has acted as a prudent lender seeking to protect its investment and thus expressly conditioned its financial commitment upon GM's meaningful progress toward long-term viability.

Other secured creditors of the Debtors also clearly recognized the loans under the Existing UST Loan Agreement as debt by entering into intercreditor agreements with the U.S. Treasury in order to set forth the secured lenders' respective prepetition priority.

X. This Court has previously authorized the Purchaser to credit bid the amounts owed under both the DIP Facility and the Existing UST Loan Agreement and held the Purchaser's credit bid to be, for all purposes, a "Qualified Bid" under the Sale Procedures Order.

Y. The Debtors, the Purchaser, and the UAW, as the exclusive collective bargaining representative of the Debtors' UAW-represented employees and the authorized representative of the persons in the Class and the Covered Group (as described in the UAW Retiree Settlement Agreement) (the "**UAW-Represented Retirees**") under section 1114(c) of the Bankruptcy Code, engaged in good faith negotiations in conjunction with the 363 Transaction regarding the funding of "retiree benefits" within the meaning of section 1114(a) of the Bankruptcy Code and related matters. Conditioned upon the consummation of the 363 Transaction and the approval of the Bankruptcy Court granted in this Order, the Purchaser and the UAW will enter into that certain Retiree Settlement Agreement, dated as of the Closing Date (the "**UAW Retiree Settlement Agreement**"), which is Exhibit D to the MPA, which resolves

issues with respect to the provision of certain retiree benefits to UAW-Represented Retirees as described in the UAW Retiree Settlement Agreement. As set forth in the UAW Retiree Settlement Agreement, the Purchaser has agreed to make contributions of cash, stock, and warrants of the Purchaser to the New VEBA (as defined in the UAW Retiree Settlement Agreement), which will have the obligation to fund certain health and welfare benefits for the UAW-Represented Retirees. The New VEBA will also be funded by the transfer of assets from the Existing External VEBA and the assets in the UAW Related Account of the Existing Internal VEBA (each as defined in the UAW Retiree Settlement Agreement). GM and the UAW, as the authorized representative of the UAW-Represented Retirees, as well as the representatives for the class of plaintiffs in a certain class action against GM (the "**Class Representatives**"), through class counsel, Stemper, Feinstein, Doyle and Payne LLC ("**Class Counsel**"), negotiated in good faith the UAW Claims Agreement, which requires the UAW and the Class Representatives to take actions to effectuate the withdrawal of certain claims against the Debtors, among others, relating to retiree benefits in the event the 363 Transaction is consummated and the Bankruptcy Court approves, and the Purchaser becomes fully bound by, the UAW Retiree Settlement Agreement, subject to reinstatement of such claims to the extent of any adverse impact to the rights or benefits of UAW-Represented Retirees under the UAW Retiree Settlement Agreement resulting from any reversal or modification of the 363 Transaction, the UAW Retiree Settlement Agreement, or the approval of the Bankruptcy Court thereof, the foregoing as subject to the terms of, and as set forth in, the UAW Claims Agreement.

Z. Effective as of the Closing of the 363 Transaction, the Debtors will assume and assign to the Purchaser the UAW Collective Bargaining Agreement and all liabilities thereunder. The Debtors, the Purchaser, the UAW and Class Representatives intend that their actions in connection with the UAW Retiree Settlement Agreement and related undertakings

incorporate the compromise of certain claims and rights and shall be deemed to satisfy the requirements of 29 U.S.C. § 186(c)(2).

AA. The transfer of the Purchased Assets to the Purchaser will be a legal, valid, and effective transfer of the Purchased Assets and, except for the Assumed Liabilities, will vest the Purchaser with all right, title, and interest of the Sellers to the Purchased Assets free and clear of liens, claims, encumbrances, and other interests (other than Permitted Encumbrances), including rights or claims (for purposes of this Order, the term "claim" shall have the meaning ascribed to such term in section 101(5) of the Bankruptcy Code) based on any successor or transferee liability, including, but not limited to (i) those that purport to give to any party a right or option to effect any forfeiture, modification, right of first refusal, or termination of the Sellers' or the Purchaser's interest in the Purchased Assets, or any similar rights and (ii) (a) those arising under all mortgages, deeds of trust, security interests, conditional sale or other title retention agreements, pledges, liens, judgments, demands, encumbrances, rights of first refusal or charges of any kind or nature, if any, including, but not limited to, any restriction on the use, voting, transfer, receipt of income, or other exercise of any attributes of ownership and (b) all claims arising in any way in connection with any agreements, acts, or failures to act, of any of the Sellers or any of the Sellers' predecessors or affiliates, whether known or unknown, contingent or otherwise, whether arising prior to or subsequent to the commencement of these chapter 11 cases, and whether imposed by agreement, understanding, law, equity or otherwise, including, but not limited to, claims otherwise arising under doctrines of successor or transferee liability.

BB. The Sellers may sell the Purchased Assets free and clear of all liens, claims, encumbrances, and other interests of any kind or nature whatsoever (other than Permitted Encumbrances), including rights or claims based on any successor or transferee liability, because, in each case, one or more of the standards set forth in section 363(f)(1)-(5) of the

Bankruptcy Code has been satisfied. Those (i) holders of liens, claims, encumbrances, and other interests, including rights or claims based on any successor or transferee liability, and (ii) non-Debtor parties to the Assumable Executory Contracts who did not object, or who withdrew their Objections, to the 363 Transaction or the Motion are deemed to have consented pursuant to section 363(f)(2) of the Bankruptcy Code. Those (i) holders of liens, claims, and encumbrances, and (ii) non-Debtor parties to the Assumable Executory Contracts who did object, fall within one or more of the other subsections of section 363(f) of the Bankruptcy Code and, to the extent they have valid and enforceable liens or encumbrances, are adequately protected by having such liens or encumbrances, if any, attach to the proceeds of the 363 Transaction ultimately attributable to the property against or in which they assert a lien or encumbrance. To the extent liens or encumbrances secure liabilities that are Assumed Liabilities under this Order and the MPA, no such liens or encumbrances shall attach to the proceeds of the 363 Transaction.

CC. Under the MPA, GM is transferring all of its right, title, and interest in the Memphis, TN SPO Warehouse and the White Marsh, MD Allison Transmission Plant (the "**TPC Property**") to the Purchaser pursuant to section 363(f) of the Bankruptcy Code free and clear of all liens (including, without limitation, the TPC Liens (as hereinafter defined)), claims, interests, and encumbrances (other than Permitted Encumbrances). For purposes of this Order, "**TPC Liens**" shall mean and refer to any liens on the TPC Property granted or extended pursuant to the TPC Participation Agreement and any claims relating to that certain Second Amended and Restated Participation Agreement and Amendment of Other Operative Documents (the "**TPC Participation Agreement**"), dated as of June 30, 2004, among GM, as Lessee, Wilmington Trust Company, a Delaware corporation, not in its individual capacity except as expressly stated herein but solely as Owner Trustee (the "**TPC Trustee**") under GM Facilities Trust No. 1999-I (the "**TPC Trust**"), as Lessor, GM, as Certificate Holder, Hannover Funding Company LLC, as

CP Lender, Wells Fargo Bank Northwest, N.A., as Agent, Norddeutsche Landesbank Girozentrale (New York Branch), as Administrator, and Deutsche Bank, AG, New York Branch, HSBC Bank USA, ABN AMRO Bank N.V., Royal Bank of Canada, Bank of America, N.A., Citicorp USA, Inc., Merrill Lynch Bank USA, Morgan Stanley Bank, collectively, as Purchasers (collectively, with CP Lender, Agent and Administrator, the "**TPC Lenders**"), together with the Operative Documents (as defined in the TPC Participation Agreements (the "**TPC Operative Documents**").

DD. The Purchaser would not have entered into the MPA and would not consummate the 363 Transaction (i) if the sale of the Purchased Assets was not free and clear of all liens, claims, encumbrances, and other interests (other than Permitted Encumbrances), including rights or claims based on any successor or transferee liability or (ii) if the Purchaser would, or in the future could, be liable for any such liens, claims, encumbrances, and other interests, including rights or claims based on any successor or transferee liability (collectively, the "**Retained Liabilities**"), other than, in each case, the Assumed Liabilities. The Purchaser will not consummate the 363 Transaction unless this Court expressly orders that none of the Purchaser, its affiliates, their present or contemplated members or shareholders (other than the Debtors as the holder of equity in the Purchaser), or the Purchased Assets will have any liability whatsoever with respect to, or be required to satisfy in any manner, whether at law or equity, or by payment, setoff, or otherwise, directly or indirectly, any liens, claims, encumbrances, and other interests, including rights or claims based on any successor or transferee liability or Retained Liabilities, other than as expressly provided herein or in agreements made by the Debtors and/or the Purchaser on the record at the Sale Hearing or in the MPA.

EE. The Debtors have demonstrated that it is an exercise of their sound business judgment to assume and assign the Purchased Contracts to the Purchaser in connection

with the consummation of the 363 Transaction, and the assumption and assignment of the Purchased Contracts is in the best interests of the Debtors, their estates and creditors, and other parties in interest. The Purchased Contracts being assigned to, and the liabilities being assumed by, the Purchaser are an integral part of the Purchased Assets being purchased by the Purchaser, and, accordingly, such assumption and assignment of the Purchased Contracts and liabilities are reasonable, enhance the value of the Debtors' estates, and do not constitute unfair discrimination.

FF. For the avoidance of doubt, and notwithstanding anything else in this Order to the contrary:

- The Debtors are neither assuming nor assigning to the Purchaser the agreement to provide certain retiree medical benefits specified in (i) the Memorandum of Understanding Post-Retirement Medical Care, dated September 26, 2007, between the Company and the UAW, and (ii) the Settlement Agreement, dated February 21, 2008, between the Company and the UAW (together, the "**VEBA Settlement Agreement**");

- at the Closing, and in accordance with the MPA, the UAW Collective Bargaining Agreement, and all liabilities thereunder, shall be assumed by the Debtors and assigned to the Purchaser pursuant to section 365 of the Bankruptcy Code. Assumption and assignment of the UAW Collective Bargaining Agreement is integral to the 363 Transaction and the MPA, are in the best interests of the Debtors and their estates, creditors, employees, and retirees, and represent the exercise of the Debtors' sound business judgment, enhances the value of the Debtors' estates, and does not constitute unfair discrimination;

- the UAW, as the exclusive collective bargaining representative of employees of the Purchaser and the "authorized representative" of the UAW-Represented Retirees under section 1114(c) of the Bankruptcy Code, GM, and the Purchaser engaged in good faith negotiations in conjunction with the 363 Transaction regarding the funding of retiree health benefits within the meaning of section 1114(a) of the Bankruptcy Code. Conditioned upon the consummation of the 363 Transaction, the UAW and the Purchaser have entered into the UAW Retiree Settlement Agreement, which, among other things, provides for the financing by the Purchaser of modified retiree health care obligations for the Class and Covered Group (as defined in the UAW Retiree Settlement Agreement) through contributions by the Purchaser (as referenced in paragraph Y herein). The New VEBA will also be funded by the transfer of the UAW Related Account from the Existing Internal VEBA and the assets of the Existing External VEBA to the New VEBA (each as defined in the UAW Retiree Settlement Agreement). The Debtors, the

Purchaser, and the UAW specifically intend that their actions in connection with the UAW Retiree Settlement Agreement and related undertakings incorporate the compromise of certain claims and rights and shall be deemed to satisfy the requirements of 29 U.S.C. § 186(c)(2);

- the Debtors' sponsorship of the Existing Internal VEBA (as defined in the UAW Retiree Settlement Agreement) shall be transferred to the Purchaser under the MPA.

GG. The Debtors have (i) cured and/or provided adequate assurance of cure (through the Purchaser) of any default existing prior to the date hereof under any of the Purchased Contracts that have been designated by the Purchaser for assumption and assignment under the MPA, within the meaning of section 365(b)(1)(A) of the Bankruptcy Code, and (ii) provided compensation or adequate assurance of compensation through the Purchaser to any party for any actual pecuniary loss to such party resulting from a default prior to the date hereof under any of the Purchased Contracts, within the meaning of section 365(b)(1)(B) of the Bankruptcy Code, and the Purchaser has provided adequate assurance of future performance under the Purchased Contracts, within the meaning of section 365(b)(1)(C) of the Bankruptcy Code. The Modified Assumption and Assignment Procedures are fair, appropriate, and effective and, upon the payment by the Purchaser of all Cure Amounts (as hereinafter defined) and approval of the assumption and assignment for a particular Purchased Contract thereunder, the Debtors shall be forever released from any and all liability under the Purchased Contracts.

HH. The Debtors are the sole and lawful owners of the Purchased Assets, and no other person has any ownership right, title, or interest therein. The Debtors' non-Debtor Affiliates have acknowledged and agreed to the 363 Transaction and, as required by, and in accordance with, the MPA and the Transition Services Agreement, transferred any legal, equitable, or beneficial right, title, or interest they may have in or to the Purchased Assets to the Purchaser.

II. The Debtors currently maintain certain privacy policies that govern the use of "personally identifiable information" (as defined in section 101(41A) of the Bankruptcy Code) in conducting their business operations. The 363 Transaction may contemplate the transfer of certain personally identifiable information to the Purchaser in a manner that may not be consistent with certain aspects of their existing privacy policies. Accordingly, on June 2, 2009, the Court directed the U.S. Trustee to promptly appoint a consumer privacy ombudsman in accordance with section 332 of the Bankruptcy Code, and such ombudsman was appointed on June 10, 2009. The Privacy Ombudsman is a disinterested person as required by section 332(a) of the Bankruptcy Code. The Privacy Ombudsman filed his report with the Court on July 1, 2009 (Docket No. 2873) (the "**Ombudsman Report**") and presented his report at the Sale Hearing, and the Ombudsman Report has been reviewed and considered by the Court. The Court has given due consideration to the facts, including the exigent circumstances surrounding the conditions of the sale of personally identifiable information in connection with the 363 Transaction. No showing has been made that the sale of personally identifiable information in connection with the 363 Transaction in accordance with the provisions of this Order violates applicable nonbankruptcy law, and the Court concludes that such sale is appropriate in conjunction with the 363 Transaction.

JJ. Pursuant to Section 6.7(a) of the MPA, GM offered Wind-Down Agreements and Deferred Termination Agreements (collectively, the "**Deferred Termination Agreements**") in forms prescribed by the MPA to franchised motor vehicle dealers, including dealers authorized to sell and service vehicles marketed under the Pontiac brand (which is being discontinued), dealers authorized to sell and service vehicles marketed under the Hummer, Saturn and Saab brands (which may or may not be discontinued depending on whether the brands are sold to third parties) and dealers authorized to sell and service vehicles marketed

under brands which will be continued by the Purchaser. The Deferred Termination Agreements were offered as an alternative to rejection of the existing Dealer Sales and Service Agreements of these dealers pursuant to section 365 of the Bankruptcy Code and provide substantial additional benefits to dealers which enter into such agreements. Approximately 99% of the dealers offered Deferred Termination Agreements accepted and executed those agreements and did so for good and sufficient consideration.

KK. Pursuant to Section 6.7(b) of the MPA, GM offered Participation Agreements in the form prescribed by the MPA to dealers identified as candidates for a long term relationship with the Purchaser. The Participation Agreements provide substantial benefits to accepting dealers, as they grant the opportunity for such dealers to enter into a potentially valuable relationship with the Purchaser as a component of a reduced and more efficient dealer network. Approximately 99% of the dealers offered Participation Agreements accepted and executed those agreements.

LL. This Order constitutes approval of the UAW Retiree Settlement Agreement and the compromise and settlement embodied therein.

MM. This Order constitutes a final order within the meaning of 28 U.S.C. § 158(a). Consistent with Bankruptcy Rules 6004(h) and 6006(d), the Court expressly finds that there is no just reason for delay in the implementation of this Order to the full extent to which those rules provide, but that its Order should not become effective instantaneously. Thus the Court will shorten, but not wholly eliminate, the periods set forth in Fed.R.Bankr.P. 6004(h) and 6006, and expressly directs entry of judgment as set forth in accordance with the provisions of Paragraph 70 below.

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NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

General Provisions

1. The Motion is granted as provided herein, and entry into and performance under, and in respect of, the MPA and the 363 Transaction is approved.

2. All Objections to the Motion or the relief requested therein that have not been withdrawn, waived, settled, or resolved, and all reservation of rights included in such Objections, are overruled on the merits other than a continuing Objection (each a "**Limited Contract Objection**") that does not contest or challenge the merits of the 363 Transaction and that is limited to (a) contesting a particular Cure Amount(s) (a "**Cure Objection**"), (b) determining whether a particular Assumable Executory Contract is an executory contract that may be assumed and/or assigned under section 365 of the Bankruptcy Code, and/or (c) challenging, as to a particular Assumable Executory Contract, whether the Debtors have assumed, or are attempting to assume, such contract in its entirety or whether the Debtors are seeking to assume only part of such contract. A Limited Contract Objection shall include, until resolved, a dispute regarding any Cure Amount that is subject to resolution by the Bankruptcy Court , or pursuant to the dispute resolution procedures established by the Sale Procedures Order or pursuant to agreement of the parties, including agreements under which an objection to the Cure Amount was withdrawn in connection with a reservation of rights under such dispute resolution procedures. Limited Contract Objections shall not constitute objections to the 363 Transaction, and to the extent such Limited Contract Objections remain continuing objections to be resolved before the Court, the hearing to consider each such Limited Contract Objection shall be adjourned to August 3, 2009 at 9:00a.m. (the "**Limited Contract Objection Hearing**"). Within two (2) business days of the entry of this Order, the Debtors shall serve upon each of the counterparties to the remaining Limited Contract Objections a notice of the Limited Contract Objection Hearing. The Debtors or any party that withdraws, or has withdrawn, a Limited

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Contract Objection without prejudice shall have the right, unless it has agreed otherwise, to schedule the hearing to consider a Limited Contract Objection on not less than fifteen (15) days notice to the Debtors, the counterparties to the subject Assumable Executory Contracts, the Purchaser, and the Creditors' Committee, or within such other time as otherwise may be agreed by the parties.

Approval of the MPA

3. The MPA, all transactions contemplated thereby, and all the terms and conditions thereof (subject to any modifications contained herein) are approved. If there is any conflict between the MPA, the Sale Procedures Order, and this Order, this Order shall govern.

4. Pursuant to sections 105, 363, and 365 of the Bankruptcy Code, the Debtors are authorized to perform their obligations under, and comply with the terms of, the MPA and consummate the 363 Transaction pursuant to, and in accordance with, the terms and provisions of the MPA and this Order.

5. The Debtors are authorized and directed to execute and deliver, and empowered to perform under, consummate, and implement, the MPA, together with all additional instruments and documents that the Sellers or the Purchaser deem necessary or appropriate to implement the MPA and effectuate the 363 Transaction, and to take all further actions as may reasonably be required by the Purchaser for the purpose of assigning, transferring, granting, conveying, and conferring to the Purchaser or reducing to possession the Purchased Assets or as may be necessary or appropriate to the performance of the obligations as contemplated by the MPA.

6. This Order and the MPA shall be binding in all respects upon the Debtors, their affiliates, all known and unknown creditors of, and holders of equity security interests in, any Debtor, including any holders of liens, claims, encumbrances, or other interests, including

rights or claims based on any successor or transferee liability, all non-Debtor parties to the Assumable Executory Contracts, all successors and assigns of the Purchaser, each Seller and their Affiliates and subsidiaries, the Purchased Assets, all interested parties, their successors and assigns, and any trustees appointed in the Debtors' chapter 11 cases or upon a conversion of any of such cases to cases under chapter 7 of the Bankruptcy Code and shall not be subject to rejection. Nothing contained in any chapter 11 plan confirmed in any of the Debtors' chapter 11 cases or the order confirming any such chapter 11 plan shall conflict with or derogate from the provisions of the MPA or this Order.

Transfer of Purchased Assets Free and Clear

7. Except for the Assumed Liabilities, pursuant to sections 105(a) and 363(f) of the Bankruptcy Code, the Purchased Assets shall be transferred to the Purchaser in accordance with the MPA, and, upon the Closing, shall be free and clear of all liens, claims, encumbrances, and other interests of any kind or nature whatsoever (other than Permitted Encumbrances), including rights or claims based on any successor or transferee liability, and all such liens, claims, encumbrances, and other interests, including rights or claims based on any successor or transferee liability, shall attach to the net proceeds of the 363 Transaction in the order of their priority, with the same validity, force, and effect that they now have as against the Purchased Assets, subject to any claims and defenses a Seller or any other party in interest may possess with respect thereto.

8. Except as expressly permitted or otherwise specifically provided by the MPA or this Order, all persons and entities, including, but not limited to, all debt security holders, equity security holders, governmental, tax, and regulatory authorities, lenders, trade creditors, dealers, employees, litigation claimants, and other creditors, holding liens, claims, encumbrances, and other interests of any kind or nature whatsoever, including rights or claims

based on any successor or transferee liability, against or in a Seller or the Purchased Assets (whether legal or equitable, secured or unsecured, matured or unmatured, contingent or noncontingent, senior or subordinated), arising under or out of, in connection with, or in any way relating to, the Sellers, the Purchased Assets, the operation of the Purchased Assets prior to the Closing, or the 363 Transaction, are forever barred, estopped, and permanently enjoined (with respect to future claims or demands based on exposure to asbestos, to the fullest extent constitutionally permissible) from asserting against the Purchaser, its successors or assigns, its property, or the Purchased Assets, such persons' or entities' liens, claims, encumbrances, and other interests, including rights or claims based on any successor or transferee liability.

9. This Order (a) shall be effective as a determination that, as of the Closing, (i) no claims other than Assumed Liabilities, will be assertable against the Purchaser, its affiliates, their present or contemplated members or shareholders, successors, or assigns, or any of their respective assets (including the Purchased Assets); (ii) the Purchased Assets shall have been transferred to the Purchaser free and clear of all claims (other than Permitted Encumbrances); and (iii) the conveyances described herein have been effected; and (b) is and shall be binding upon and govern the acts of all entities, including, without limitation, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, registrars of patents, trademarks, or other intellectual property, administrative agencies, governmental departments, secretaries of state, federal and local officials, and all other persons and entities who may be required by operation of law, the duties of their office, or contract, to accept, file, register, or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to any lease; and each of the foregoing persons and entities is directed to accept for filing any and all of the documents

and instruments necessary and appropriate to consummate the transactions contemplated by the MPA.

10. The transfer of the Purchased Assets to the Purchaser pursuant to the MPA constitutes a legal, valid, and effective transfer of the Purchased Assets and shall vest the Purchaser with all right, title, and interest of the Sellers in and to the Purchased Assets free and clear of all liens, claims, encumbrances, and other interests of any kind or nature whatsoever (other than Permitted Encumbrances), including rights or claims based on any successor or transferee liability, other than the Assumed Liabilities.

11. On the Closing of the 363 Transaction, each of the Sellers' creditors and any other holder of a lien, claim, encumbrance, or other interest, is authorized and directed to execute such documents and take all other actions as may be necessary to release its lien, claim, encumbrance (other than Permitted Encumbrances), or other interest in the Purchased Assets, if any, as such lien, claim, encumbrance, or other interest may have been recorded or may otherwise exist.

12. If any person or entity that has filed financing statements, mortgages, mechanic's liens, lis pendens, or other documents or agreements evidencing a lien, claim, encumbrance, or other interest in the Sellers or the Purchased Assets (other than Permitted Encumbrances) shall not have delivered to the Sellers prior to the Closing, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfaction, releases of all liens, claims, encumbrances, or other interests, which the person or entity has with respect to the Sellers or the Purchased Assets or otherwise, then (a) the Sellers are authorized and directed to execute and file such statements, instruments, releases, and other documents on behalf of the person or entity with respect to the Sellers or the Purchased Assets, and (b) the Purchaser is authorized to file, register, or otherwise record a certified copy of this Order, which

shall constitute conclusive evidence of the release of all liens, claims, encumbrances, and other interests of any kind or nature whatsoever in the Sellers or the Purchased Assets.

13. All persons or entities in possession of any of the Purchased Assets are directed to surrender possession of such Purchased Assets to the Purchaser or its respective designees at the time of Closing of the 363 Transaction.

14. Following the Closing of the 363 Transaction, no holder of any lien, claim, encumbrance, or other interest (other than Permitted Encumbrances) shall interfere with the Purchaser's title to, or use and enjoyment of, the Purchased Assets based on, or related to, any such lien, claim, encumbrance, or other interest, or based on any actions the Debtors may take in their chapter 11 cases.

15. All persons and entities are prohibited and enjoined from taking any action to adversely affect or interfere with the ability of the Debtors to transfer the Purchased Assets to the Purchaser in accordance with the MPA and this Order; *provided, however*, that the foregoing restriction shall not prevent any person or entity from appealing this Order or opposing any appeal of this Order.

16. To the extent provided by section 525 of the Bankruptcy Code, no governmental unit may deny, revoke, suspend, or refuse to renew any permit, license, or similar grant relating to the operation of the Purchased Assets sold, transferred, or conveyed to the Purchaser on account of the filing or pendency of these chapter 11 cases or the consummation of the 363 Transaction contemplated by the MPA.

17. From and after the Closing, the Purchaser shall comply with the certification, reporting, and recall requirements of the National Traffic and Motor Vehicle Safety Act, as amended and recodified, including by the Transportation Recall Enhancement, Accountability and Documentation Act, the Clean Air Act, the California Health and Safety

Code, and similar Laws, in each case, to the extent applicable in respect of motor vehicles, vehicles, motor vehicle equipment, and vehicle parts manufactured or distributed by the Sellers prior to the Closing.

18. Notwithstanding anything to the contrary in this Order or the MPA, (a) any Purchased Asset that is subject to any mechanic's, materialman's, laborer's, workmen's, repairman's, carrier's liens and other similar Encumbrances arising by operation of law or statute in the Ordinary Course of Business for amounts that are not delinquent or that are being contested in good faith by appropriate proceedings, or any lien for Taxes, the validity or amount of which is being contested in good faith by appropriate proceedings, and statutory liens for current Taxes not yet due, payable, or delinquent (or which may be paid without interest or penalties) shall continue to be subject to such lien after the Closing Date if and to the extent that such lien (i) is valid, perfected and enforceable as of the Commencement Date (or becomes valid, perfected and enforceable after the Commencement Date as permitted by section 546(b) or 362(b)(18) of the Bankruptcy Code), (ii) could not be avoided by any Debtor under sections 544 to 549, inclusive, of the Bankruptcy Code or otherwise, were the Closing not to occur; and (iii) the Purchased Asset subject to such lien could not be sold free and clear of such lien under applicable non-bankruptcy law, and (b) any Liability as of the Closing Date that is secured by a lien described in clause (a) above (such lien, a "**Continuing Lien**") that is not otherwise an Assumed Liability shall constitute an Assumed Liability with respect to which there shall be no recourse to the Purchaser or any property of the Purchaser other than recourse to the property subject to such Continuing Lien. The Purchased Assets are sold free and clear of any reclamation rights, *provided, however*, that nothing, in this Order or the MPA shall in any way impair the right of any claimant against the Debtors with respect to any alleged reclamation right to the extent such reclamation right is not subject to the prior rights of a holder of a security interest in

the goods or proceeds with respect to which such reclamation right is alleged, or impair the ability of a claimant to seek adequate protection against the Debtors with respect to any such alleged reclamation right. Further, nothing in this Order or the MPA shall prejudice any rights, defenses, objections or counterclaims that the Debtors, the Purchaser, the U.S. Treasury, EDC, the Creditors' Committee or any other party in interest may have with respect to the validity or priority of such asserted liens or rights, or with respect to any claim for adequate protection.

Approval of the UAW Retiree Settlement Agreement

19. The UAW Retiree Settlement Agreement, the transactions contemplated therein, and the terms and conditions thereof, are fair, reasonable, and in the best interests of the retirees, and are approved. The Debtors, the Purchaser, and the UAW are authorized and directed to perform their obligations under, or in connection with, the implementation of the UAW Retiree Settlement Agreement and to comply with the terms of the UAW Retiree Settlement Agreement, including the obligation of the Purchaser to reimburse the UAW for certain expenses relating to the 363 Transaction and the transition to the New VEBA arrangements. The amendments to the Trust Agreement (as defined in the UAW Retiree Settlement Agreement) set forth on Exhibit E to the UAW Retiree Settlement Agreement, are approved, and the Trust Agreement is reformed accordingly.

20. In accordance with the terms of the UAW Retiree Settlement Agreement, (I) as of the Closing, there shall be no requirement to amend the Pension Plan as set forth in section 15 of the Henry II Settlement (as such terms are defined in the UAW Retiree Settlement Agreement); (II) on the later of December 31, 2009, or the Closing of the 363 Transaction (the "**Implementation Date**"), (i) the committee and the trustees of the Existing External VEBA (as defined in the UAW Retiree Settlement Agreement) are directed to transfer to the New VEBA all assets and liabilities of the Existing External VEBA and to terminate the Existing External

VEBA within fifteen (15) days thereafter, as provided under Section 12.C of the UAW Retiree Settlement Agreement, (ii) the trustee of the Existing Internal VEBA is directed to transfer to the New VEBA the UAW Related Account's share of assets in the Existing Internal VEBA within ten (10) business days thereafter as provided in Section 12.B of the UAW Retiree Settlement Agreement, and, upon the completion of such transfer, the Existing Internal VEBA shall be deemed to be amended to terminate participation and coverage regarding Retiree Medical Benefits for the Class and the Covered Group, effective as of the Implementation Date (each as defined in the UAW Retiree Settlement Agreement); and (III) all obligations of the Purchaser and the Sellers to provide Retiree Medical Benefits to members of the Class and Covered Group shall be governed by the UAW Retiree Settlement Agreement, and, in accordance with section 5.D of the UAW Retiree Settlement Agreement, all provisions of the Purchaser's Plan relating to Retiree Medical Benefits for the Class and/or the Covered Group shall terminate as of the Implementation Date or otherwise be amended so as to be consistent with the UAW Retiree Settlement Agreement (as each term is defined in the UAW Retiree Settlement Agreement), and the Purchaser shall not thereafter have any such obligations as set forth in Section 5.D of the UAW Retiree Settlement Agreement.

Approval of GM's Assumption of the UAW Claims Agreement

21. Pursuant to section 365 of the Bankruptcy Code, GM's assumption of the UAW Claims Agreement is approved, and GM, the UAW, and the Class Representatives are authorized and directed to perform their obligations under, or in connection with, the implementation of the UAW Claims Agreement and comply with the terms of the UAW Claims Agreement.

Assumption and Assignment to the Purchaser of Assumable Executory Contracts

22. Pursuant to sections 105(a), 363, and 365 of the Bankruptcy Code and subject to and conditioned upon (a) the Closing of the 363 Transaction, (b) the occurrence of the Assumption Effective Date, and (c) the resolution of any relevant Limited Contract Objections, other than a Cure Objection, by order of this Court overruling such objection or upon agreement of the parties, the Debtors' assumption and assignment to the Purchaser of each Assumable Executory Contract (including, without limitation, for purposes of this paragraph 22) the UAW Collective Bargaining Agreement) is approved, and the requirements of section 365(b)(1) of the Bankruptcy Code with respect thereto are deemed satisfied.

23. The Debtors are authorized and directed in accordance with sections 105(a) and 365 of the Bankruptcy Code to (i) assume and assign to the Purchaser, effective as of the Assumption Effective Date, as provided by, and in accordance with, the Sale Procedures Order, the Modified Assumption and Assignment Procedures, and the MPA, those Assumable Executory Contracts that have been designated by the Purchaser for assumption pursuant to sections 6.6 and 6.31 of the MPA and that are not subject to a Limited Contract Objection other than a Cure Objection, free and clear of all liens, claims, encumbrances, or other interests of any kind or nature whatsoever (other than Permitted Encumbrances), including rights or claims based on any successor or transferee liability, other than the Assumed Liabilities, and (ii) execute and deliver to the Purchaser such documents or other instruments as the Purchaser reasonably deems may be necessary to assign and transfer such Assumable Executory Contracts and Assumed Liabilities to the Purchaser. The Purchaser shall Promptly Pay (as defined below) the following (the "**Cure Amount**"): (a) all amounts due under such Assumable Executory Contract as of the Commencement Date as reflected on the website established by the Debtors (the "**Contract Website**"), which is referenced and is accessible as set forth in the Assumption and Assignment

Notice or as otherwise agreed to in writing by an authorized officer of the parties (for this purpose only, Susanna Webber shall be deemed an authorized officer of the Debtors) (the "**Prepetition Cure Amount**"), less amounts, if any, paid after the Commencement Date on account of the Prepetition Cure Amount (such net amount, the "**Net Prepetition Cure Amount**"), plus (b) any such amount past due and owing as of the Assumption Effective Date, as required under the Modified Assumption and Assignment Procedures, exclusive of the Net Prepetition Cure Amount. For the avoidance of doubt, all of the Debtors' rights to assert credits, chargebacks, setoffs, rebates, and other claims under the Purchased Contracts are purchased by and assigned to the Purchaser as of the Assumption Effective Date. As used herein, "**Promptly Pay**" means (i) with respect to any Cure Amount (or portion thereof, if any) which is undisputed, payment as soon as reasonably practicable, but not later than five (5) business days after the Assumption Effective Date, and (ii) with respect to any Cure Amount (or portion thereof, if any) which is disputed, payment as soon as reasonably practicable, but not later than five (5) business days after such dispute is resolved or such later date upon agreement of the parties and, in the event Bankruptcy Court approval is required, upon entry of a final order of the Bankruptcy Court. On and after the Assumption Effective Date, the Purchaser shall (i) perform any nonmonetary defaults that are required under section 365(b) of the Bankruptcy Code; *provided* that such defaults are undisputed or directed by this Court and are timely asserted under the Modified Assumption and Assignment Procedures, and (ii) pay all undisputed obligations and perform all obligations that arise or come due under each Assumable Executory Contract in the ordinary course. Notwithstanding any provision in this Order to the contrary, the Purchaser shall not be obligated to pay any Cure Amount or any other amount due with respect to any Assumable Executory Contract before such amount becomes due and payable under the applicable payment terms of such Contract.

24. The Debtors shall make available a writing, acknowledged by the Purchaser, of the assumption and assignment of an Assumable Executory Contract and the effective date of such assignment (which may be a printable acknowledgment of assignment on the Contract Website). The Assumable Executory Contracts shall be transferred and assigned to, pursuant to the Sale Procedures Order and the MPA, and thereafter remain in full force and effect for the benefit of, the Purchaser, notwithstanding any provision in any such Assumable Executory Contract (including those of the type described in sections 365(b)(2), (e)(1), and (f) of the Bankruptcy Code) that prohibits, restricts, or conditions such assignment or transfer and, pursuant to section 365(k) of the Bankruptcy Code, the Sellers shall be relieved from any further liability with respect to the Assumable Executory Contracts after such assumption and assignment to the Purchaser. Except as may be contested in a Limited Contract Objection, each Assumable Executory Contract is an executory contract or unexpired lease under section 365 of the Bankruptcy Code and the Debtors may assume each of their respective Assumable Executory Contracts in accordance with section 365 of the Bankruptcy Code. Except as may be contested in a Limited Contract Objection other than a Cure Objection, the Debtors may assign each Assumable Executory Contract in accordance with sections 363 and 365 of the Bankruptcy Code, and any provisions in any Assumable Executory Contract that prohibit or condition the assignment of such Assumable Executory Contract or terminate, recapture, impose any penalty, condition renewal or extension, or modify any term or condition upon the assignment of such Assumable Executory Contract, constitute unenforceable antiassignment provisions which are void and of no force and effect in connection with the transactions contemplated hereunder. All other requirements and conditions under sections 363 and 365 of the Bankruptcy Code for the assumption by the Debtors and assignment to the Purchaser of each Assumable Executory Contract have been satisfied, and, pursuant to section 365(k) of the Bankruptcy Code, the

Debtors are hereby relieved from any further liability with respect to the Assumable Executory Contracts, including, without limitation, in connection with the payment of any Cure Amounts related thereto which shall be paid by the Purchaser. At such time as provided in the Sale Procedures Order and the MPA, in accordance with sections 363 and 365 of the Bankruptcy Code, the Purchaser shall be fully and irrevocably vested in all right, title, and interest of each Purchased Contract. With respect to leases of personal property that are true leases and not subject to recharacterization, nothing in this Order or the MPA shall transfer to the Purchaser an ownership interest in any leased property not owned by a Debtor. Any portion of any of the Debtors' unexpired leases of nonresidential real property that purport to permit the respective landlords thereunder to cancel the remaining term of any such leases if the Sellers discontinue their use or operation of the Leased Real Property are void and of no force and effect and shall not be enforceable against the Purchaser, its assignees and sublessees, and the landlords under such leases shall not have the right to cancel or otherwise modify such leases or increase the rent, assert any Claim, or impose any penalty by reason of such discontinuation, the Sellers' cessation of operations, the assignment of such leases to the Purchaser, or the interruption of business activities at any of the leased premises.

25. Except in connection with any ongoing Limited Contract Objection, each non-Debtor party to an Assumable Executory Contract is forever barred, estopped, and permanently enjoined from (a) asserting against the Debtors or the Purchaser, their successors or assigns, or their respective property, any default arising prior to, or existing as of, the Commencement Date, or, against the Purchaser, any counterclaim, defense, or setoff (other than defenses interposed in connection with, or related to, credits, chargebacks, setoffs, rebates, and other claims asserted by the Sellers or the Purchaser in its capacity as assignee), or other claim asserted or assertable against the Sellers and (b) imposing or charging against the Debtors, the

Purchaser, or its Affiliates any rent accelerations, assignment fees, increases, or any other fees as a result of the Sellers' assumption and assignment to the Purchaser of the Assumable Executory Contracts. The validity of such assumption and assignment of the Assumable Executory Contracts shall not be affected by any dispute between the Sellers and any non-Debtor party to an Assumable Executory Contract.

26. Except as expressly provided in the MPA or this Order, after the Closing, the Debtors and their estates shall have no further liabilities or obligations with respect to any Assumed Liabilities other than certain Cure Amounts as provided in the MPA, and all holders of such claims are forever barred and estopped from asserting such claims against the Debtors, their successors or assigns, and their estates.

27. The failure of the Sellers or the Purchaser to enforce at any time one or more terms or conditions of any Assumable Executory Contract shall not be a waiver of such terms or conditions, or of the Sellers' and the Purchaser's rights to enforce every term and condition of the Assumable Executory Contracts.

28. The authority hereunder for the Debtors to assume and assign an Assumable Executory Contract to the Purchaser includes the authority to assume and assign an Assumable Executory Contract, as amended.

29. Upon the assumption by a Debtor and the assignment to the Purchaser of any Assumable Executory Contract and the payment of the Cure Amount in full, all defaults under the Assumable Executory Contract shall be deemed to have been cured, and any counterparty to such Assumable Executory Contract shall be prohibited from exercising any rights or remedies against any Debtor or non-Debtor party to such Assumable Executory Contract based on an asserted default that occurred on, prior to, or as a result of, the Closing, including the type of default specified in section 365(b)(1)(A) of the Bankruptcy Code.

30. The assignments of each of the Assumable Executory Contracts are made in good faith under sections 363(b) and (m) of the Bankruptcy Code.

31. Entry by GM into the Deferred Termination Agreements with accepting dealers is hereby approved. Executed Deferred Termination Agreements represent valid and binding contracts, enforceable in accordance with their terms.

32. Entry by GM into the Participation Agreements with accepting dealers is hereby approved and the offer by GM of entry into the Participation Agreements and entry into the Participation Agreements was appropriate and not the product of coercion. The Court makes no finding as to whether any specific provision of any Participation Agreement governing the obligations of Purchaser and its dealers is enforceable under applicable provisions of state law. Any disputes that may arise under the Participation Agreements shall be adjudicated on a case by case basis in an appropriate forum other than this Court.

33. Nothing contained in the preceding two paragraphs shall impact the authority of any state or of the federal government to regulate Purchaser subsequent to the Closing.

34. Notwithstanding any other provision in the MPA or this Order, no assignment of any rights and interests of the Debtors in any federal license issued by the Federal Communications Commission ("**FCC**") shall take place prior to the issuance of FCC regulatory approval for such assignment pursuant to the Communications Act of 1934, and the rules and regulations promulgated thereunder.

TPC Property

35. The TPC Participation Agreement and the other TPC Operative Documents are financing transactions secured to the extent of the TPC Value (as hereinafter defined) and shall be Retained Liabilities.

36. As a result of the Debtors' interests in the TPC Property being transferred to the Purchaser free and clear of all liens, claims, interests, and encumbrances (other than Permitted Encumbrances), including, without limitation, the TPC Lenders' Liens and Claims, pursuant to section 363(e) of the Bankruptcy Code, the TPC Lenders shall have an allowed secured claim in a total amount equal to the fair market value of the TPC Property on the Commencement Date under section 506 of the Bankruptcy Code (the "**TPC Value**"), as determined at a valuation hearing conducted by this Court or by mutual agreement of the Debtors, the Purchaser, and the TPC Lenders (such claim, the "**TPC Secured Claim**"). Either the Debtors, the Purchaser, the TPC Lenders, or the Creditors' Committee may file a motion with this Court to determine the TPC Value on twenty (20) days notice.

37. Pursuant to sections 361 and 363(e) of the Bankruptcy Code, as adequate protection for the TPC Secured Claim and for the sole benefit of the TPC Lenders, at the Closing or as soon as commercially practicable thereafter, but in any event not later than five (5) business days after the Closing, the Purchaser shall place $90,700,000 (the "**TPC Escrow Amount**") in cash into an interest-bearing escrow account (the "**TPC Escrow Account**") at a financial institution selected by the Purchaser and acceptable to the other parties (the "**Escrow Bank**"). Interest earned on the TPC Escrow Amount from the date of deposit through the date of the disposition of the proceeds of such account (the "**TPC Escrow Interest**") will follow principal, such that interest earned on the amount of cash deposited into the TPC Escrow Account equal to the TPC Value shall be paid to the TPC Lenders and interest earned on the balance of the TPC Escrow Amount shall be paid to the Purchaser.

38. Promptly after the determination of the TPC Value, an amount of cash equal to the TPC Secured Claim plus the TPC Lenders' pro rata share of the TPC Escrow Interest shall be released from the TPC Escrow Account and paid to the TPC Lenders (the "**TPC**

Payment") without further order of this Court. If the TPC Value is less than $90,700,000, the TPC Lenders shall have, in addition to the TPC Secured Claim, an aggregate allowed unsecured claim against GM's estate equal to the lesser of (i) $45,000,000 and (ii) the difference between $90,700,000 and the TPC Value (the "**TPC Unsecured Claim**").

39. If the TPC Value exceeds $90,700,000, the TPC Lenders shall be entitled to assert a secured claim against GM's estate to the extent the TPC Lenders would have an allowed claim for such excess under section 506 of the Bankruptcy Code (the "**TPC Excess Secured Claim**"); *provided, however*, that any TPC Excess Secured Claim shall be paid from the consideration of the 363 Transaction as a secured claim thereon and shall not be payable from the proceeds of the Wind-Down Facility; *and provided further, however*, that the Debtors, the Creditors' Committee, and all parties in interest shall have the right to contest the allowance and amount of the TPC Excess Secured Claim under section 506 of the Bankruptcy Code (other than to contest the TPC Value as previously determined by the Court). All parties' rights and arguments respecting the determination of the TPC Secured Claim are reserved; *provided, however*, that in consideration of the settlement contained in these paragraphs, the TPC Lenders waive any legal argument that the TPC Lenders are entitled to a secured claim equal to the face amount of their claim under section 363(f)(3) or any other provision of the Bankruptcy Code solely as a matter of law, including, without limitation, on the grounds that the Debtors are required to pay the full face amount of the TPC Lenders' secured claims in order to transfer, or as a result of the transfer of, the TPC Property to the Purchaser. After the TPC Payment is made, any funds remaining in the TPC Escrow Account plus the Purchasers' pro rata share of the TPC Escrow Interest shall be released and paid to the Purchaser without further order of this Court. Upon the receipt of the TPC Payment by the TPC Lenders, other than any right to payment from GM on account of the TPC Unsecured Claim and the TPC Excess Secured Claim, the TPC

Lenders' Claims relating to the TPC Property shall be deemed fully satisfied and discharged, including, without limitation, any claims the TPC Lenders might have asserted against the Purchaser relating to the TPC Property, the TPC Participation Agreement, or the TPC Operative Documents. For the avoidance of doubt, any and all claims of the TPC Lenders arising from or in connection with the TPC Property, the TPC Participation Agreement, or the TPC Operative Documents shall be payable solely from the TPC Escrow Account or GM and shall be nonrecourse to the Purchaser.

40. The TPC Lenders shall not be entitled to payment of any fees, costs, or expenses (including legal fees) except to the extent that the TPC Value results in a TPC Excess Secured Claim and is thereby oversecured under the Bankruptcy Code and such claim is allowed by the Court as a secured claim under section 506 of the Bankruptcy Code.

41. In connection with the foregoing, and pursuant to Section 11.2 of the TPC Trust Agreement, GM, as the sole Certificate Holder and Beneficiary under the TPC Trust, together with the consent of GM as the Lessee, effective as of the date of the Closing, (a) exercises its election to terminate the TPC Trust and (b) in connection therewith, assumes all of the obligations of the TPC Trust and TPC Trustee under or contemplated by the TPC Operative Documents to which the TPC Trust or TPC Trustee is a party and all other obligations of the TPC Trust or TPC Trustee incurred under the TPC Trust Agreement (other than obligations set forth in clauses (i) through (iii) of the second sentence of Section 7.1 of the TPC Trust Agreement).

42. As a condition precedent to the 363 Transaction, in connection with the termination of the TPC Trust, effective as of the date of the Closing, all of the assets of the TPC Trust (the "**TPC Trust Assets**") shall be distributed to GM, as sole Certificate Holder and beneficiary under the TPC Trust, including, without limitation, the following:

(i) Industrial Development Revenue Real Property Note (General Motors Project) Series 1999-I, dated November 18, 1999, in the principal amount of $21,700,000, made by the Industrial Development Board of the City of Memphis and County of Shelby, Tennessee, to PVV Southpoint 14, LLC, as assigned by Assignment and Assumption of Loan and Loan Documents dated as of November 18, 1999, between PVV Southpoint 14, LLC, as Assignor, to the TPC Trustee of the TPC Trust, as Assignee, recorded as JW1268 in the records of the Shelby County Register of Deeds (the "**TPC Tennessee Ground Lease**");

(ii) Real Property Lease Agreement dated as of November 18, 1999, between the Industrial Development Board of the City of Memphis and County of Shelby, Tennessee, as Lessor, and PVV Southpoint 14, LLC, as Lessee, recorded as JW1262 in the records of the Shelby County Register of Deeds, as assigned by Assignment and Assumption of Real Property Lease dated as of November 18, 1999, between PVV Southpoint 14, LLC, as Assignor, to the TPC Trustee of the TPC Trust, as Assignee, recorded as JW1267 in the records of the Shelby County Register of Deeds;

(iii) Deed of Trust dated as of November 18, 1999, between the Industrial Development Board of the City of Memphis and County of Shelby, Tennessee, as Grantor, in favor of Mid-South Title Corporation, as Trustee, for the benefit of PVV Southpoint 14, LLC, Beneficiary, recorded as JW1263 in the records of the Shelby County Register of Deeds, as assigned by Assignment and Assumption of Loan and Loan Documents dated as of November 18, 1999, between PVV Southpoint 14, LLC, as Assignor, to the TPC Trustee of the TPC Trust, as Assignee, recorded as JW1268 in the records of the Shelby County Register of Deeds;

(iv) Assignment of Rents and Lease dated as of November 18, 1999, between the Industrial Development Board of the City of Memphis and County of Shelby, Tennessee, as Assignor, and PVV Southpoint 14, LLC, as Assignee, recorded as JW1264 in the records of the Shelby County Register of Deeds, as assigned by Assignment and Assumption of Loan and Loan Documents dated as of November 18, 1999, between PVV Southpoint 14, LLC, as Assignor, to the TPC Trustee of the TPC Trust, as Assignee, recorded as JW1268 in the records of the Shelby County Register of Deeds;

(v) The Tennessee Master Lease (as defined in the TPC Participation Agreement);

(vi) A certain tract of land being known and designated as Lot 1, as shown on a Subdivision Plat entitled "Final Plat – Lot 1, Whitemarsh Associates, LLC Property," which Plat is recorded among the Land Records of Baltimore County in Plat Book SM No. 71 at folio 144, Maryland, together with a certain tract of land being known and designated as "1.1865 Acre of Highway Widening," as shown on a Subdivision Plat entitled "Final Plat – Lot 1, Whitemarsh Associates, LLC Property," which Plat is recorded among the Land Records of Baltimore County in Plat Book SM No. 71 at folio 144, Baltimore, Maryland, saving and excepting from the above described property all that land conveyed to the State of Maryland to the use of the State Highway Administration of the Department of Transportation dated November 24, 2003, and

recorded among the Land Records of Baltimore County in Liber 19569, folio 074, Maryland, together with all rights, easements, covenants, licenses, and appurtenances associated with the ownership thereof in any way, including, without limitation, those easements benefiting Parcel 1 set forth in the Declaration and Agreement Respecting Easements, Restrictions and Operations, between the TPC Trust, GM, and Whitemarsh Associates, LLC, recorded among the Land Records of Baltimore County in Liber 14019, folio 430, as amended (collectively, the "**Maryland Property**");

(vii) alternatively to the transfer of a direct interest in the Maryland Property pursuant to item (vi) above, if such documents are still extant, the following interests shall be transferred: (a) Ground Lease Agreement dated as of September 8, 1999, between the TPC Trustee of the TPC Trust. as lessor, and Maryland Economic Development Corporation, as lessee, recorded among the Land Records of Baltimore County in Liber 14019, folio 565, (b) Sublease Agreement dated as of September 8, 1999, between the Maryland Economic Development Corporation, as sublessor, and the TPC Trustee of the TPC Trust, as sublessee, recorded among the Land Records of Baltimore County in Liber 14019, folio 589, together with (c) all agreements, loan agreements, notes, rights, obligations, and interests held by the TPC Trustee of the TPC Trust and/or issued by the TPC Trustee of the TPC Trust in connection therewith; and

(viii) The Maryland Master Lease (as defined in the TPC Participation Agreement).

43. As a result of the distribution of the TPC Trust Assets, effective as of the date of the Closing, title to the leasehold interest of the TPC Trustee of the TPC Trust under the TPC Tennessee Ground Lease and the lessor's interest under the Tennessee Master Lease shall be held by GM, as are the lessor's and lessee's interests under the Tennessee Master Lease, and as permitted by the TPC Trust Agreement, the Tennessee Master Lease shall hereby be terminated, and GM shall succeed to all rights of the lessor thereunder to the property leased thereby, together with all rights, easements, covenants, licenses, and appurtenances associated with the ownership thereof in any way.

44. As a result of the distribution of the TPC Trust Assets, effective as of the date of the Closing, title to the Maryland Property, the lessor's and lessee's interests under the Maryland Master Lease shall be held by GM, and as permitted by the TPC Trust Agreement, the Maryland Master Lease shall hereby be terminated, and GM shall succeed to all rights of the

lessor thereunder to the property leased thereby, together with all rights, easements, covenants, licenses, and appurtenances associated with the ownership thereof in any way.

45. All of the TPC Trust Assets and the TPC Property are Purchased Assets under the MPA and shall be transferred by GM pursuant thereto to the Purchaser free and clear of all liens, claims, encumbrances, and interests (other than Permitted Encumbrances), including, without limitation, any liens, claims, encumbrances, and interests of the TPC Lenders. To the extent any of the TPC Trust Assets are executory contracts and unexpired leases, they shall be Assumable Executory Contracts, which shall be assumed by GM and assigned to Purchaser pursuant to section 365 of the Bankruptcy Code and the Sale Procedures Order.

Additional Provisions

46. Except for the Assumed Liabilities expressly set forth in the MPA, none of the Purchaser, its present or contemplated members or shareholders, its successors or assigns, or any of their respective affiliates or any of their respective agents, officials, personnel, representatives, or advisors shall have any liability for any claim that arose prior to the Closing Date, relates to the production of vehicles prior to the Closing Date, or otherwise is assertable against the Debtors or is related to the Purchased Assets prior to the Closing Date. The Purchaser shall not be deemed, as a result of any action taken in connection with the MPA or any of the transactions or documents ancillary thereto or contemplated thereby or in connection with the acquisition of the Purchased Assets, to: (i) be a legal successor, or otherwise be deemed a successor to the Debtors (other than with respect to any obligations arising under the Purchased Assets from and after the Closing); (ii) have, de facto or otherwise, merged with or into the Debtors; or (iii) be a mere continuation or substantial continuation of the Debtors or the enterprise of the Debtors. Without limiting the foregoing, the Purchaser shall not have any successor, transferee, derivative, or vicarious liabilities of any kind or character for any claims,

including, but not limited to, under any theory of successor or transferee liability, de facto merger or continuity, environmental, labor and employment, and products or antitrust liability, whether known or unknown as of the Closing, now existing or hereafter arising, asserted, or unasserted, fixed or contingent, liquidated or unliquidated.

47. Effective upon the Closing and except as may be otherwise provided by stipulation filed with or announced to the Court with respect to a specific matter or an order of the Court, all persons and entities are forever prohibited and enjoined from commencing or continuing in any manner any action or other proceeding, whether in law or equity, in any judicial, administrative, arbitral, or other proceeding against the Purchaser, its present or contemplated members or shareholders, its successors and assigns, or the Purchased Assets, with respect to any (i) claim against the Debtors other than Assumed Liabilities, or (ii) successor or transferee liability of the Purchaser for any of the Debtors, including, without limitation, the following actions: (a) commencing or continuing any action or other proceeding pending or threatened against the Debtors as against the Purchaser, or its successors, assigns, affiliates, or their respective assets, including the Purchased Assets; (b) enforcing, attaching, collecting, or recovering in any manner any judgment, award, decree, or order against the Debtors as against the Purchaser, its successors, assigns, affiliates, or their respective assets, including the Purchased Assets; (c) creating, perfecting, or enforcing any lien, claim, interest, or encumbrance against the Debtors as against the Purchaser or its successors, assigns, affiliates, or their respective assets, including the Purchased Assets; (d) asserting any setoff, right of subrogation, or recoupment of any kind for any obligation of any of the Debtors as against any obligation due the Purchaser or its successors, assigns, affiliates, or their respective assets, including the Purchased Assets; (e) commencing or continuing any action, in any manner or place, that does not comply, or is inconsistent with, the provisions of this Order or other orders of this Court, or

the agreements or actions contemplated or taken in respect thereof; or (f) revoking, terminating, or failing or refusing to renew any license, permit, or authorization to operate any of the Purchased Assets or conduct any of the businesses operated with such assets. Notwithstanding the foregoing, a relevant taxing authority's ability to exercise its rights of setoff and recoupment are preserved.

48. Except for the Assumed Liabilities, or as expressly permitted or otherwise specifically provided for in the MPA or this Order, the Purchaser shall have no liability or responsibility for any liability or other obligation of the Sellers arising under or related to the Purchased Assets. Without limiting the generality of the foregoing, and except as otherwise specifically provided in this Order and the MPA, the Purchaser shall not be liable for any claims against the Sellers or any of their predecessors or Affiliates, and the Purchaser shall have no successor, transferee, or vicarious liabilities of any kind or character, including, but not limited to, any theory of antitrust, environmental, successor, or transferee liability, labor law, de facto merger, or substantial continuity, whether known or unknown as of the Closing, now existing or hereafter arising, whether fixed or contingent, asserted or unasserted, liquidated or unliquidated, with respect to the Sellers or any obligations of the Sellers arising prior to the Closing.

49. The Purchaser has given fair and substantial consideration under the MPA for the benefit of the holders of liens, claims, encumbrances, or other interests. The consideration provided by the Purchaser for the Purchased Assets under the MPA is greater than the liquidation value of the Purchased Assets and shall be deemed to constitute reasonably equivalent value and fair consideration under the Bankruptcy Code and under the laws of the United States, any state, territory, possession, or the District of Columbia.

50. The consideration provided by the Purchaser for the Purchased Assets under the MPA is fair and reasonable, and the Sale may not be avoided under section 363(n) of the Bankruptcy Code.

51. If there is an Agreed G Transaction (determined no later than the due date, with extensions, of GM's tax return for the taxable year in which the 363 Transaction occurs), (i) the MPA shall, and hereby does, constitute a "plan" of GM and the Purchaser solely for purposes of sections 368 and 354 of the Tax Code, and (ii) the 363 Transaction, as set forth in the MPA, and the subsequent liquidation of the Sellers, are intended to constitute a tax reorganization of GM pursuant to section 368(a)(1)(G) of the Tax Code.

52. This Order (a) shall be effective as a determination that, except for the Assumed Liabilities, at Closing, all liens, claims, encumbrances, and other interests of any kind or nature whatsoever existing as to the Sellers with respect to the Purchased Assets prior to the Closing (other than Permitted Encumbrances) have been unconditionally released and terminated, and that the conveyances described in this Order have been effected, and (b) shall be binding upon and govern the acts of all entities, including, without limitation, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies, governmental departments, secretaries of state, federal, state, and local officials, and all other persons and entities who may be required by operation of law, the duties of their office, or contract, to accept, file, register, or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to any of the Purchased Assets.

53. Each and every federal, state, and local governmental agency or department is authorized to accept any and all documents and instruments necessary or appropriate to consummate the transactions contemplated by the MPA.

54. Any amounts that become payable by the Sellers to the Purchaser pursuant to the MPA (and related agreements executed in connection therewith, including, but not limited to, any obligation arising under Section 8.2(b) of the MPA) shall (a) constitute administrative expenses of the Debtors' estates under sections 503(b)(1) and 507(a)(1) of the Bankruptcy Code and (b) be paid by the Debtors in the time and manner provided for in the MPA without further Court order.

55. The transactions contemplated by the MPA are undertaken by the Purchaser without collusion and in good faith, as that term is used in section 363(m) of the Bankruptcy Code, and were negotiated by the parties at arm's length, and, accordingly, the reversal or modification on appeal of the authorization provided in this Order to consummate the 363 Transaction shall not affect the validity of the 363 Transaction (including the assumption and assignment of any of the Assumable Executory Contracts and the UAW Collective Bargaining Agreement), unless such authorization is duly stayed pending such appeal. The Purchaser is a purchaser in good faith of the Purchased Assets and the Purchaser and its agents, officials, personnel, representatives, and advisors are entitled to all the protections afforded by section 363(m) of the Bankruptcy Code.

56. The Purchaser is assuming the obligations of the Sellers pursuant to and subject to conditions and limitations contained in their express written warranties, which were delivered in connection with the sale of vehicles and vehicle components prior to the Closing of the 363 Transaction and specifically identified as a "warranty." The Purchaser is not assuming responsibility for Liabilities contended to arise by virtue of other alleged warranties, including implied warranties and statements in materials such as, without limitation, individual customer communications, owner's manuals, advertisements, and other promotional materials, catalogs, and point of purchase materials. Notwithstanding the foregoing, the Purchaser has assumed the

Sellers' obligations under state "lemon law" statutes, which require a manufacturer to provide a consumer remedy when the manufacturer is unable to conform the vehicle to the warranty, as defined in the applicable statute, after a reasonable number of attempts as further defined in the statute, and other related regulatory obligations under such statutes.

57. Subject to further Court order and consistent with the terms of the MPA and the Transition Services Agreement, the Debtors and the Purchaser are authorized to, and shall, take appropriate measures to maintain and preserve, until the consummation of any chapter 11 plan for the Debtors, (a) the books, records, and any other documentation, including tapes or other audio or digital recordings and data in, or retrievable from, computers or servers relating to or reflecting the records held by the Debtors or their affiliates relating to the Debtors' business, and (b) the cash management system maintained by the Debtors prior to the Closing, as such system may be necessary to effect the orderly administration of the Debtors' estates.

58. The Debtors are authorized to take any and all actions that are contemplated by or in furtherance of the MPA, including transferring assets between subsidiaries and transferring direct and indirect subsidiaries between entities in the corporate structure, with the consent of the Purchaser.

59. Upon the Closing, the Purchaser shall assume all liabilities of the Debtors arising out of, relating to, in respect of, or in connection with workers' compensation claims against any Debtor, except for workers' compensation claims against the Debtors with respect to Employees residing in or employed in, as the case may be as defined by applicable law, the states of Alabama, Georgia, New Jersey, and Oklahoma.

60. During the week after Closing, the Purchaser shall send an e-mail to the Debtors' customers for whom the Debtors have usable e-mail addresses in their database, which will provide information about the Purchaser and procedures for consumers to opt out of being

contacted by the Purchaser for marketing purposes. For a period of ninety (90) days following the Closing Date, the Purchaser shall include on the home page of GM's consumer web site (www.gm.com) a conspicuous disclosure of information about the Purchaser, its procedures for consumers to opt out of being contacted by the Purchaser for marketing purposes, and a notice of the Purchaser's new privacy statement. The Debtors and the Purchaser shall comply with the terms of established business relationship provisions in any applicable state and federal telemarketing laws. The Dealers who are parties to Deferred Termination Agreements shall not be required to transfer personally identifying information in violation of applicable law or existing privacy policies.

61. Nothing in this Order or the MPA releases, nullifies, or enjoins the enforcement of any Liability to a governmental unit under Environmental Laws or regulations (or any associated Liabilities for penalties, damages, cost recovery, or injunctive relief) that any entity would be subject to as the owner, lessor, or operator of property after the date of entry of this Order. Notwithstanding the foregoing sentence, nothing in this Order shall be interpreted to deem the Purchaser as the successor to the Debtors under any state law successor liability doctrine with respect to any Liabilities under Environmental Laws or regulations for penalties for days of violation prior to entry of this Order. Nothing in this paragraph should be construed to create for any governmental unit any substantive right that does not already exist under law.

62. Nothing contained in this Order or in the MPA shall in any way (i) diminish the obligation of the Purchaser to comply with Environmental Laws, or (ii) diminish the obligations of the Debtors to comply with Environmental Laws consistent with their rights and obligations as debtors in possession under the Bankruptcy Code. The definition of Environmental Laws in the MPA shall be amended to delete the words "in existence on the date of the Original Agreement." For purposes of clarity, the exclusion of asbestos liabilities in

section 2.3(b)(x) of the MPA shall not be deemed to affect coverage of asbestos as a Hazardous Material with respect to the Purchaser's remedial obligations under Environmental Laws.

63. No law of any state or other jurisdiction relating to bulk sales or similar laws shall apply in any way to the transactions contemplated by the 363 Transaction, the MPA, the Motion, and this Order.

64. The Debtors shall comply with their tax obligations under 28 U.S.C. § 960, except to the extent that such obligations are Assumed Liabilities.

65. Notwithstanding anything contained in their respective organizational documents or applicable state law to the contrary, each of the Debtors is authorized and directed, upon and in connection with the Closing, to change their respective names, and any amendment to the organizational documents (including the certificate of incorporation) of any of the Debtors to effect such a change is authorized and approved, without Board or shareholder approval. Upon any such change with respect to GM, the Debtors shall file with the Court a notice of change of case caption within two (2) business days of the Closing, and the change of case caption for these chapter 11 cases shall be deemed effective as of the Closing.

66. The terms and provisions of the MPA and this Order shall inure to the benefit of the Debtors, their estates, and their creditors, the Purchaser, and their respective agents, officials, personnel, representatives, and advisors.

67. The failure to specifically include any particular provisions of the MPA in this Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Court that the MPA be authorized and approved in its entirety, except as modified herein.

68. The MPA and any related agreements, documents, or other instruments may be modified, amended, or supplemented by the parties thereto and in accordance with the terms thereof, without further order of the Court, provided that any such modification,

amendment, or supplement does not have a material adverse effect on the Debtors' estates. Any such proposed modification, amendment, or supplement that does have a material adverse effect on the Debtors' estates shall be subject to further order of the Court, on appropriate notice.

69. The provisions of this Order are nonseverable and mutually dependent on each other.

70. As provided in Fed.R.Bankr.P. 6004(h) and 6006(d), this Order shall not be stayed for ten days after its entry, and instead shall be effective as of 12:00 noon, EDT, on Thursday, July 9, 2009. The Debtors and the Purchaser are authorized to close the 363 Transaction on or after 12:00 noon on Thursday, July 9. Any party objecting to this Order must exercise due diligence in filing any appeal and pursuing a stay or risk its appeal being foreclosed as moot in the event Purchaser and the Debtors elect to close prior to this Order becoming a Final Order.

Deleted: Pursuant to Bankruptcy Rules 6004(h) and 6006(d), this Order shall not be stayed for ten days after its entry and shall be effective immediately upon entry, and the Debtors and the Purchaser are authorized to close the 363 Transaction immediately upon entry of this Order.

71. This Court retains exclusive jurisdiction to enforce and implement the terms and provisions of this Order, the MPA, all amendments thereto, any waivers and consents thereunder, and each of the agreements executed in connection therewith, including the Deferred Termination Agreements, in all respects, including, but not limited to, retaining jurisdiction to (a) compel delivery of the Purchased Assets to the Purchaser, (b) compel delivery of the purchase price or performance of other obligations owed by or to the Debtors, (c) resolve any disputes arising under or related to the MPA, except as otherwise provided therein, (d) interpret, implement, and enforce the provisions of this Order, (e) protect the Purchaser against any of the Retained Liabilities or the assertion of any lien, claim, encumbrance, or other interest, of any kind or nature whatsoever, against the Purchased Assets, and (f) resolve any disputes with respect to or concerning the Deferred Termination Agreements. The Court does not retain jurisdiction to hear disputes arising in connection with the application of the Participation

Agreements, stockholder agreements or other documents concerning the corporate governance of the Purchaser, and documents governed by foreign law, which disputes shall be adjudicated as

necessary under applicable law in any other court or administrative agency of competent jurisdiction.

Dated: New York, York
July **5**, 2009

s/Robert E. Gerber
UNITED STATES BANKRUPTCY JUDGE

Exhibit A

AMENDED AND RESTATED MASTER SALE AND PURCHASE AGREEMENT

EXECUTION COPY

AMENDED AND RESTATED

MASTER SALE AND PURCHASE AGREEMENT

BY AND AMONG

GENERAL MOTORS CORPORATION,

SATURN LLC,

SATURN DISTRIBUTION CORPORATION

AND

CHEVROLET-SATURN OF HARLEM, INC.,

as Sellers

AND

NGMCO, INC.,

as Purchaser

DATED AS OF

JUNE 26, 2009

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EXHIBITS

AMENDED AND RESTATED MASTER SALE AND PURCHASE AGREEMENT

THIS AMENDED AND RESTATED MASTER SALE AND PURCHASE AGREEMENT (this "Agreement"), dated as of June 26, 2009, is made by and among General Motors Corporation, a Delaware corporation ("Parent"), Saturn LLC, a Delaware limited liability company ("S LLC"), Saturn Distribution Corporation, a Delaware corporation ("S Distribution"), Chevrolet-Saturn of Harlem, Inc., a Delaware corporation ("Harlem," and collectively with Parent, S LLC and S Distribution, "Sellers," and each a "Seller"), and NGMCO, Inc., a Delaware corporation and successor-in-interest to Vehicle Acquisition Holdings LLC, a Delaware limited liability company ("Purchaser").

WHEREAS, on June 1, 2009 (the "Petition Date"), the Parties entered into that certain Master Sale and Purchase Agreement (the "Original Agreement"), and, in connection therewith, Sellers filed voluntary petitions for relief (the "Bankruptcy Cases") under Chapter 11 of Title 11, U.S.C. §§ 101 et seq., as amended (the "Bankruptcy Code"), in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court");

WHEREAS, pursuant to Sections 363 and 365 of the Bankruptcy Code, Sellers desire to sell, transfer, assign, convey and deliver to Purchaser, and Purchaser desires to purchase, accept and acquire from Sellers all of the Purchased Assets (as hereinafter defined) and assume and thereafter pay or perform as and when due, or otherwise discharge, all of the Assumed Liabilities (as hereinafter defined), in each case, in accordance with the terms and subject to the conditions set forth in this Agreement and the Bankruptcy Code;

WHEREAS, on the Petition Date, Purchaser entered into equity subscription agreements with each of Canada, Sponsor and the New VEBA (each as hereinafter defined), pursuant to which Purchaser has agreed to issue, on the Closing Date (as hereinafter defined), the Canada Shares, the Sponsor Shares, the VEBA Shares, the VEBA Note and the VEBA Warrant (each as hereinafter defined);

WHEREAS, pursuant to the equity subscription agreement between Purchaser and Canada, Canada has agreed to (i) contribute on or before the Closing Date an amount of Indebtedness (as hereinafter defined) owed to it by General Motors of Canada Limited ("GMCL"), which results in not more than $1,288,135,593 of such Indebtedness remaining an obligation of GMCL, to Canada immediately following the Closing (the "Canadian Debt Contribution") and (ii) exchange immediately following the Closing the $3,887,000,000 loan to be made by Canada to Purchaser for additional shares of capital stock of Purchaser;

WHEREAS, the transactions contemplated by this Agreement are in furtherance of the conditions, covenants and requirements of the UST Credit Facilities (as hereinafter defined) and are intended to result in a rationalization of the costs, capitalization and capacity with respect to the manufacturing workforce of, and suppliers to, Sellers and their Subsidiaries (as hereinafter defined);

WHEREAS, it is contemplated that Purchaser may, in accordance with the terms of this Agreement, prior to the Closing (as hereinafter defined), engage in one or more related transactions (the "Holding Company Reorganization") generally designed to reorganize

Purchaser and one or more newly-formed, direct or indirect, wholly-owned Subsidiaries of Purchaser into a holding company structure that results in Purchaser becoming a direct or indirect, wholly-owned Subsidiary of a newly-formed Delaware corporation ("Holding Company"); and

WHEREAS, it is contemplated that Purchaser may, in accordance with the terms of this Agreement, direct the transfer of the Purchased Assets on its behalf by assigning its rights to purchase, accept and acquire the Purchased Assets and its obligations to assume and thereafter pay or perform as and when due, or otherwise discharge, the Assumed Liabilities, to Holding Company or one or more newly-formed, direct or indirect, wholly-owned Subsidiaries of Holding Company or Purchaser.

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements contained in this Agreement, and for other good and valuable consideration, the value, receipt and sufficiency of which are acknowledged, the Parties (as hereinafter defined) hereby agree as follows:

ARTICLE I
DEFINITIONS

Section 1.1 Defined Terms. As used in this Agreement, the following terms have the meanings set forth below or in the Sections referred to below:

"Adjustment Shares" has the meaning set forth in **Section 3.2(c)(i)**.

"Advisory Fees" has the meaning set forth in **Section 4.20**.

"Affiliate" has the meaning set forth in Rule 12b-2 of the Exchange Act.

"Affiliate Contract" means a Contract between a Seller or a Subsidiary of a Seller, on the one hand, and an Affiliate of such Seller or Subsidiary of a Seller, on the other hand.

"Agreed G Transaction" has the meaning set forth in **Section 6.16(g)(i)**.

"Agreement" has the meaning set forth in the Preamble.

"Allocation" has the meaning set forth in **Section 3.3**.

"Alternative Transaction" means the sale, transfer, lease or other disposition, directly or indirectly, including through an asset sale, stock sale, merger or other similar transaction, of all or substantially all of the Purchased Assets in a transaction or a series of transactions with one or more Persons other than Purchaser (or its Affiliates).

"Ancillary Agreements" means the Parent Warrants, the UAW Active Labor Modifications, the UAW Retiree Settlement Agreement, the VEBA Warrant, the Equity Registration Rights Agreement, the Bill of Sale, the Assignment and Assumption Agreement, the Novation Agreement, the Government Related Subcontract Agreement, the Intellectual Property Assignment Agreement, the Transition Services Agreement, the Quitclaim Deeds, the

Assignment and Assumption of Real Property Leases, the Assignment and Assumption of Harlem Lease, the Master Lease Agreement, the Subdivision Master Lease (if required), the Saginaw Service Contracts (if required), the Assignment and Assumption of Willow Run Lease, the Ren Cen Lease, the VEBA Note and each other agreement or document executed by the Parties pursuant to this Agreement or any of the foregoing and each certificate and other document to be delivered by the Parties pursuant to **ARTICLE VII**.

"Antitrust Laws" means all Laws that (i) are designed or intended to prohibit, restrict or regulate actions having the purpose or effect of monopolization or restraint of trade or the lessening of competition through merger or acquisition or (ii) involve foreign investment review by Governmental Authorities.

"Applicable Employee" means all (i) current salaried employees of Parent and (ii) current hourly employees of any Seller or any of its Affiliates (excluding Purchased Subsidiaries and any dealership) represented by the UAW, in each case, including such current salaried and current hourly employees who are on (a) long-term or short-term disability, military leave, sick leave, family medical leave or some other approved leave of absence or (b) layoff status or who have recall rights.

"Arms-Length Basis" means a transaction between two Persons that is carried out on terms no less favorable than the terms on which the transaction would be carried out by unrelated or unaffiliated Persons, acting as a willing buyer and a willing seller, and each acting in his own self-interest.

"Assignment and Assumption Agreement" has the meaning set forth in **Section 7.2(c)(v)**.

"Assignment and Assumption of Harlem Lease" has the meaning set forth in **Section 7.2(c)(xiii)**.

"Assignment and Assumption of Real Property Leases" has the meaning set forth in **Section 7.2(c)(xii)**.

"Assignment and Assumption of Willow Run Lease" has the meaning set forth in **Section 6.27(e)**.

"Assumable Executory Contract" has the meaning set forth in **Section 6.6(a)**.

"Assumable Executory Contract Schedule" means Section 1.1A of the Sellers' Disclosure Schedule.

"Assumed Liabilities" has the meaning set forth in **Section 2.3(a)**.

"Assumed Plans" has the meaning set forth in **Section 6.17(e)**.

"Assumption Effective Date" has the meaning set forth in **Section 6.6(d)**.

"Bankruptcy Avoidance Actions" has the meaning set forth in **Section 2.2(b)(xi)**.

"Bankruptcy Cases" has the meaning set forth in the Recitals.

"Bankruptcy Code" has the meaning set forth in the Recitals.

"Bankruptcy Court" has the meaning set forth in the Recitals.

"Benefit Plans" has the meaning set forth in **Section 4.10(a)**.

"Bidders" has the meaning set forth in **Section 6.4(c)**.

"Bids" has the meaning set forth in **Section 6.4(c)**.

"Bill of Sale" has the meaning set forth in **Section 7.2(c)(iv)**.

"Business Day" means any day that is not a Saturday, Sunday or other day on which banks are required or authorized by Law to be closed in the City of New York, New York.

"CA" has the meaning set forth in **Section 6.16(g)(i)**.

"Canada" means 7176384 Canada Inc., a corporation organized under the Laws of Canada, and a wholly-owned subsidiary of Canada Development Investment Corporation, and its successors and assigns.

"Canada Affiliate" has the meaning set forth in **Section 9.22**.

"Canada Shares" has the meaning set forth in **Section 5.4(c)**.

"Canadian Debt Contribution" has the meaning set forth in the Recitals.

"Claims" means all rights, claims (including any cross-claim or counterclaim), investigations, causes of action, choses in action, charges, suits, defenses, demands, damages, defaults, assessments, rights of recovery, rights of set-off, rights of recoupment, litigation, third party actions, arbitral proceedings or proceedings by or before any Governmental Authority or any other Person, of any kind or nature, whether known or unknown, accrued, fixed, absolute, contingent or matured, liquidated or unliquidated, due or to become due, and all rights and remedies with respect thereto.

"Claims Estimate Order" has the meaning set forth in **Section 3.2(c)(i)**.

"Closing" has the meaning set forth in **Section 3.1**.

"Closing Date" has the meaning set forth in **Section 3.1**.

"Collective Bargaining Agreement" means any collective bargaining agreement or other written or oral agreement, understanding or mutually recognized past practice with respect to Employees, between any Seller (or any Subsidiary thereof) and any labor organization or other Representative of Employees (including the UAW Collective Bargaining Agreement, local agreements, amendments, supplements and letters and memoranda of understanding of any kind).

"Common Stock" has the meaning set forth in **Section 5.4(b)**.

"Confidential Information" has the meaning set forth in **Section 6.24.**

"Confidentiality Period" has the meaning set forth in **Section 6.24**.

"Continuing Brand Dealer Agreement" means a United States dealer sales and service Contract related to one or more of the Continuing Brands, together with all other Contracts between any Seller and the relevant dealer that are related to the dealership operations of such dealer other than Contracts identified on Section 1.1B of the Sellers' Disclosure Schedule, each of which Contract identified on Section 1.1B of the Sellers' Disclosure Schedule shall be deemed to be a Rejectable Executory Contract.

"Continuing Brands" means each of the following vehicle line-makes, currently distributed in the United States by Parent or its Subsidiaries: Buick, Cadillac, Chevrolet and GMC.

"Contracts" means all purchase orders, sales agreements, supply agreements, distribution agreements, sales representative agreements, employee or consulting agreements, leases, subleases, licenses, product warranty or service agreements and other binding commitments, agreements, contracts, arrangements, obligations and undertakings of any nature (whether written or oral, and whether express or implied).

"Copyright Licenses" means all Contracts naming a Seller as licensee or licensor and providing for the grant of any right to reproduce, publicly display, publicly perform, distribute, create derivative works of or otherwise exploit any works covered by any Copyright.

"Copyrights" means all domestic and foreign copyrights, whether registered or unregistered, including all copyright rights throughout the universe (whether now or hereafter arising) in any and all media (whether now or hereafter developed), in and to all original works of authorship (including all compilations of information or marketing materials created by or on behalf of any Seller), acquired, owned or licensed by any Seller, all applications, registrations and recordings thereof (including applications, registrations and recordings in the United States Copyright Office or in any similar office or agency of the United States or any other country or any political subdivision thereof) and all reissues, renewals, restorations, extensions and revisions thereof.

"Cure Amounts" means all cure amounts payable in order to cure any monetary defaults required to be cured under Section 365(b)(1) of the Bankruptcy Code or otherwise to effectuate, pursuant to the Bankruptcy Code, the assumption by the applicable Seller and assignment to Purchaser of the Purchased Contracts.

"Damages" means any and all Losses, other than punitive damages.

"Dealer Agreement" has the meaning set forth in **Section 4.17**.

"Deferred Executory Contract" has the meaning set forth in **Section 6.6(c)**.

"Deferred Termination Agreements" has the meaning set forth in **Section 6.7(a)**.

"Delayed Closing Entities" has the meaning set forth in **Section 6.35**.

"Delphi" means Delphi Corporation.

"Delphi Motion" means the motion filed by Parent with the Bankruptcy Court in the Bankruptcy Cases on June 20, 2009, seeking authorization and approval of (i) the purchase, and guarantee of purchase, of certain assets of Delphi, (ii) entry into certain agreements in connection with the sale of substantially all of the remaining assets of Delphi to a third party, (iii) the assumption of certain Executory Contracts in connection with such sale, (iv) entry into an agreement with the PBGC in connection with such sale and (v) entry into an alternative transaction with the successful bidder in the auction for the assets of Delphi.

"Delphi Transaction Agreements" means (i) either (A) the MDA, the SPA, the Loan Agreement, the Operating Agreement, the Commercial Agreements and any Ancillary Agreements (in each case, as defined in the Delphi Motion), which any Seller is a party to, or (B) in the event that an Acceptable Alternative Transaction (as defined in the Delphi Motion) is consummated, any agreements relating to the Acceptable Alternative Transaction, which any Seller is a party to, and (ii) in the event that the PBGC Agreement is entered into at or prior to the Closing, the PBGC Agreement (as defined in the Delphi Motion) and any ancillary agreements entered into pursuant thereto, which any Seller is a party to, as each of the agreements described in clauses (i) or (ii) hereof may be amended from time to time.

"DIP Facility" means that certain Secured Superpriority Debtor-in-Possession Credit Agreement entered into or to be entered into by Parent, as borrower, certain Subsidiaries of Parent listed therein, as guarantors, Sponsor, as lender, and Export Development Canada, as lender.

"Discontinued Brand Dealer Agreement" means a United States dealer sales and service Contract related to one or more of the Discontinued Brands, together with all other Contracts between any Seller and the relevant dealer that are related to the dealership operations of such dealer other than Contracts identified on Section 1.1B of the Sellers' Disclosure Schedule, each of which Contract identified on Section 1.1B of the Sellers' Disclosure Schedule shall be deemed to be a Rejectable Executory Contract.

"Discontinued Brands" means each of the following vehicle line-makes, currently distributed in the United States by Parent or its Subsidiaries: Hummer, Saab, Saturn and Pontiac.

"Disqualified Individual" has the meaning set forth in **Section 4.10(f)**.

"Employees" means (i) each employee or officer of any of Sellers or their Affiliates (including (a) any current, former or retired employees or officers, (b) employees or officers on long-term or short-term disability, military leave, sick leave, family medical leave or some other approved leave of absence and (c) employees on layoff status or with recall rights); (ii) each consultant or other service provider of any of Sellers or their Affiliates who is a former employee, officer or director of any of Sellers or their Affiliates; and (iii) each individual recognized under any Collective Bargaining Agreement as being employed by or having rights to

employment by any of Sellers or their Affiliates. For the avoidance of doubt, Employees includes all employees of Sellers or any of their Affiliates, whether or not Transferred Employees.

"Employment-Related Obligations" means all Liabilities arising out of, related to, in respect of or in connection with employment relationships or alleged or potential employment relationships with Sellers or any Affiliate of Sellers relating to Employees, leased employees, applicants, and/or independent contractors or those individuals who are deemed to be employees of Sellers or any Affiliate of Sellers by Contract or Law, whether filed or asserted before, on or after the Closing. "Employment-Related Obligations" includes Claims relating to discrimination, torts, compensation for services (and related employment and withholding Taxes), workers' compensation or similar benefits and payments on account of occupational illnesses and injuries, employment Contracts, Collective Bargaining Agreements, grievances originating under a Collective Bargaining Agreement, wrongful discharge, invasion of privacy, infliction of emotional distress, defamation, slander, provision of leave under the Family and Medical Leave Act of 1993, as amended, or other similar Laws, car programs, relocation, expense-reporting, Tax protection policies, Claims arising out of WARN or employment, terms of employment, transfers, re-levels, demotions, failure to hire, failure to promote, compensation policies, practices and treatment, termination of employment, harassment, pay equity, employee benefits (including post-employment welfare and other benefits), employee treatment, employee suggestions or ideas, fiduciary performance, employment practices, the modification or termination of Benefit Plans or employee benefit plans, policies, programs, agreements and arrangements of Purchaser, including decisions to provide plans that are different from Benefit Plans, and the like. Without limiting the generality of the foregoing, with respect to any Employees, leased employees, and/or independent contractors or those individuals who are deemed to be employees of Sellers or any Affiliate of Sellers by Contract or Law, "Employment-Related Obligations" includes payroll and social security Taxes, contributions (whether required or voluntary) to any retirement, health and welfare or similar plan or arrangement, notice, severance or similar payments required under Law, and obligations under Law with respect to occupational injuries and illnesses.

"Encumbrance" means any lien (statutory or otherwise), charge, deed of trust, pledge, security interest, conditional sale or other title retention agreement, lease, mortgage, option, charge, hypothecation, easement, right of first offer, license, covenant, restriction, ownership interest of another Person or other encumbrance.

"End Date" has the meaning set forth in **Section 8.1(b)**.

"Environment" means any surface water, groundwater, drinking water supply, land surface or subsurface soil or strata, ambient air, natural resource or wildlife habitat.

"Environmental Law" means any Law in existence on the date of the Original Agreement relating to the management or Release of, or exposure of humans to, any Hazardous Materials; or pollution; or the protection of human health and welfare and the Environment.

"Equity Incentive Plans" has the meaning set forth in **Section 6.28**.

"Equity Interest" means, with respect to any Person, any shares of capital stock of (or other ownership or profit interests in) such Person, warrants, options or other rights for the purchase or other acquisition from such Person of shares of capital stock of (or other ownership or profit interests in) such Person, securities convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such Person or warrants, options or rights for the purchase or other acquisition from such Person of such shares (or such other ownership or profits interests) and other ownership or profit interests in such Person (including partnership, member or trust interests therein), whether voting or nonvoting.

"Equity Registration Rights Agreement" has the meaning set forth in **Section 7.1(c)**.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations promulgated thereunder.

"ERISA Affiliate" means any trade or business (whether or not incorporated) that is part of the same controlled group, or under common control with, or part of an affiliated service group that includes any Seller, within the meaning of Section 414(b), (c), (m) or (o) of the Tax Code or Section 4001(a)(14) of ERISA.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"Excluded Assets" has the meaning set forth in **Section 2.2(b)**.

"Excluded Cash" has the meaning set forth in **Section 2.2(b)(i)**.

"Excluded Continuing Brand Dealer Agreements" means all Continuing Brand Dealer Agreements, other than those that are Assumable Executory Contracts.

"Excluded Contracts" has the meaning set forth in **Section 2.2(b)(vii)**.

"Excluded Entities" has the meaning set forth in **Section 2.2(b)(iv)**.

"Excluded Insurance Policies" has the meaning set forth in **Section 2.2(b)(xiii)**.

"Excluded Personal Property" has the meaning set forth in **Section 2.2(b)(vi)**.

"Excluded Real Property" has the meaning set forth in **Section 2.2(b)(v)**.

"Excluded Subsidiaries" means, collectively, the direct Subsidiaries of Sellers included in the Excluded Entities and their respective direct and indirect Subsidiaries, in each case, as of the Closing Date.

"Executory Contract" means an executory Contract or unexpired lease of personal property or nonresidential real property.

"Executory Contract Designation Deadline" has the meaning set forth in **Section 6.6(a)**.

"Existing Internal VEBA" has the meaning set forth in **Section 6.17(h)**.

"Existing Saginaw Wastewater Facility" has the meaning set forth in **Section 6.27(b)**.

"Existing UST Loan and Security Agreement" means the Loan and Security Agreement, dated as of December 31, 2008, between Parent and Sponsor, as amended.

"FCPA" has the meaning set forth in **Section 4.19**.

"Final Determination" means (i) with respect to U.S. federal income Taxes, a "determination" as defined in Section 1313(a) of the Tax Code or execution of an IRS Form 870-AD and, (ii) with respect to Taxes other than U.S. federal income Taxes, any final determination of Liability in respect of a Tax that, under applicable Law, is not subject to further appeal, review or modification through proceedings or otherwise, including the expiration of a statute of limitations or a period for the filing of Claims for refunds, amended Tax Returns or appeals from adverse determinations.

"Final Order" means (i) an Order of the Bankruptcy Court or any other court or adjudicative body as to which the time to appeal, petition for certiorari or move for reargument or rehearing has expired and as to which no appeal, petition for certiorari or other proceedings for reargument or rehearing shall then be pending, or (ii) in the event that an appeal, writ of certiorari, reargument or rehearing thereof has been sought, such Order of the Bankruptcy Court or any other court or adjudicative body shall have been affirmed by the highest court to which such Order was appealed, or certiorari has been denied, or from which reargument or rehearing was sought, and the time to take any further appeal, petition for certiorari or move for reargument or rehearing shall have expired; provided, however, that no Order shall fail to be a Final Order solely because of the possibility that a motion pursuant to Rule 60 of the Federal Rules of Civil Procedure or Bankruptcy Rule 9024 may be filed with respect to such Order.

"FSA Approval" has the meaning set forth in **Section 6.34**.

"G Transaction" has the meaning set forth in **Section 6.16(g)(i)**.

"GAAP" means the United States generally accepted accounting principles and practices as in effect from time to time, consistently applied throughout the specified period.

"GMAC" means GMAC LLC.

"GM Assumed Contracts" has the meaning set forth in the Delphi Motion.

"GMCL" has the meaning set forth in the Recitals.

"Governmental Authority" means any United States or non-United States federal, national, provincial, state or local government or other political subdivision thereof, any entity, authority, agency or body exercising executive, legislative, judicial, regulatory or administrative functions of any such government or political subdivision, and any supranational organization of sovereign states exercising such functions for such sovereign states.

"Government Related Subcontract Agreement" has the meaning set forth in **Section 7.2(c)(vii)**.

"Harlem" has the meaning set forth in the Preamble.

"Hazardous Materials" means any material or substance that is regulated, or can give rise to Claims, Liabilities or Losses, under any Environmental Law or a Permit issued pursuant to any Environmental Law, including any petroleum, petroleum-based or petroleum-derived product, polychlorinated biphenyls, asbestos or asbestos-containing materials, lead and any noxious, radioactive, flammable, corrosive, toxic, hazardous or caustic substance (whether solid, liquid or gaseous).

"Holding Company" has the meaning set forth in the Recitals.

"Holding Company Reorganization" has the meaning set forth in the Recitals.

"Indebtedness" means, with respect to any Person, without duplication: (i) all obligations of such Person for borrowed money (including all accrued and unpaid interest and all prepayment penalties or premiums in respect thereof); (ii) all obligations of such Person to pay amounts evidenced by bonds, debentures, notes or similar instruments (including all accrued and unpaid interest and all prepayment penalties or premiums in respect thereof); (iii) all obligations of others, of the types set forth in clauses (i)-(ii) above that are secured by any Encumbrance on property owned or acquired by such Person, whether or not the obligations secured thereby have been assumed, but only to the extent so secured; (iv) all unreimbursed reimbursement obligations of such Person under letters of credit issued for the account of such Person; (v) obligations of such Person under conditional sale, title retention or similar arrangements or other obligations, in each case, to pay the deferred purchase price for property or services, to the extent of the unpaid purchase price (other than trade payables and customary reservations or retentions of title under Contracts with suppliers, in each case, in the Ordinary Course of Business); (vi) all net monetary obligations of such Person in respect of interest rate, equity and currency swap and other derivative transaction obligations; and (vii) all guarantees of or by such Person of any of the matters described in clauses (i)-(vi) above, to the extent of the maximum amount for which such Person may be liable pursuant to such guarantee.

"Intellectual Property" means all Patents, Trademarks, Copyrights, Trade Secrets, Software, all rights under the Licenses and all concepts, ideas, know-how, show-how, proprietary information, technology, formulae, processes and other general intangibles of like nature, and other intellectual property to the extent entitled to legal protection as such, including products under development and methodologies therefor, in each case acquired, owned or licensed by a Seller.

"Intellectual Property Assignment Agreement" has the meaning set forth in **Section 7.2(c)(viii)**.

"Intercompany Obligations" has the meaning set forth in **Section 2.2(a)(iv)**.

"Inventory" has the meaning set forth in **Section 2.2(a)(viii)**.

"IRS" means the United States Internal Revenue Service.

"Key Subsidiary" means any direct or indirect Subsidiary (which, for the avoidance of doubt, shall only include any legal entity in which a Seller, directly or indirectly, owns greater than 50% of the outstanding Equity Interests in such legal entity) of Sellers (other than trusts) with assets (excluding any Intercompany Obligations) in excess of Two Hundred and Fifty Million Dollars ($250,000,000) as reflected on Parent's consolidated balance sheet as of March 31, 2009 and listed on Section 1.1C of the Sellers' Disclosure Schedule.

"Knowledge of Sellers" means the actual knowledge of the individuals listed on Section 1.1D of the Sellers' Disclosure Schedule as to the matters represented and as of the date the representation is made.

"Law" means any and all applicable United States or non-United States federal, national, provincial, state or local laws, rules, regulations, directives, decrees, treaties, statutes, provisions of any constitution and principles (including principles of common law) of any Governmental Authority, as well as any applicable Final Order.

"Landlocked Parcel" has the meaning set forth in **Section 6.27(c)**.

"Leased Real Property" means all the real property leased or subleased by Sellers, except for any such leased or subleased real property subject to any Contracts designated as Excluded Contracts.

"Lemon Laws" means a state statute requiring a vehicle manufacturer to provide a consumer remedy when such manufacturer is unable to conform a vehicle to the express written warranty after a reasonable number of attempts, as defined in the applicable statute.

"Liabilities" means any and all liabilities and obligations of every kind and description whatsoever, whether such liabilities or obligations are known or unknown, disclosed or undisclosed, matured or unmatured, accrued, fixed, absolute, contingent, determined or undeterminable, on or off-balance sheet or otherwise, or due or to become due, including Indebtedness and those arising under any Law, Claim, Order, Contract or otherwise.

"Licenses" means the Patent Licenses, the Trademark Licenses, the Copyright Licenses, the Software Licenses and the Trade Secret Licenses.

"Losses" means any and all Liabilities, losses, damages, fines, amounts paid in settlement, penalties, costs and expenses (including reasonable and documented attorneys', accountants', consultants', engineers' and experts' fees and expenses).

"LSA Agreement" means the Amended and Restated GM-Delphi Agreement, dated as of June 1, 2009, and any ancillary agreements entered into pursuant thereto, which any Seller is a party to, as each such agreement may be amended from time to time.

"Master Lease Agreement" has the meaning set forth in **Section 7.2(c)(xiv)**.

"Material Adverse Effect" means any change, effect, occurrence or development that, individually or in the aggregate, has or would reasonably be expected to have a material adverse effect on the Purchased Assets, Assumed Liabilities or results of operations of Parent and its

Purchased Subsidiaries, taken as a whole; provided, however, that the term "Material Adverse Effect" does not, and shall not be deemed to, include, either alone or in combination, any changes, effects, occurrences or developments: (i) resulting from general economic or business conditions in the United States or any other country in which Sellers and their respective Subsidiaries have operations, or the worldwide economy taken as a whole; (ii) affecting Sellers in the industry or the markets where Sellers operate (except to the extent such change, occurrence or development has a disproportionate adverse effect on Parent and its Subsidiaries relative to other participants in such industry or markets, taken as a whole); (iii) resulting from any changes (or proposed or prospective changes) in any Law or in GAAP or any foreign generally accepted accounting principles; (iv) in securities markets, interest rates, regulatory or political conditions, including resulting or arising from acts of terrorism or the commencement or escalation of any war, whether declared or undeclared, or other hostilities; (v) resulting from the negotiation, announcement or performance of this Agreement or the DIP Facility, or the transactions contemplated hereby and thereby, including by reason of the identity of Sellers, Purchaser or Sponsor or any communication by Sellers, Purchaser or Sponsor of any plans or intentions regarding the operation of Sellers' business, including the Purchased Assets, prior to or following the Closing; (vi) resulting from any act or omission of any Seller required or contemplated by the terms of this Agreement, the DIP Facility or the Viability Plans, or otherwise taken with the prior consent of Sponsor or Purchaser, including Parent's announced shutdown, which began in May 2009; and (vii) resulting from the filing of the Bankruptcy Cases (or any other bankruptcy, insolvency or similar proceeding filed by any Subsidiary of Parent) or from any action approved by the Bankruptcy Court (or any other court in connection with any such other proceedings).

"New VEBA" means the trust fund established pursuant to the Settlement Agreement.

"Non-Assignable Assets" has the meaning set forth in **Section 2.4(a)**.

"Non-UAW Collective Bargaining Agreements" has the meaning set forth in **Section 6.17(m)(i)**.

"Non-UAW Settlement Agreements" has the meaning set forth in **Section 6.17(m)(ii)**.

"Notice of Intent to Reject" has the meaning set forth in **Section 6.6(b)**.

"Novation Agreement" has the meaning set forth in **Section 7.2(c)(vi)**.

"Option Period" has the meaning set forth in **Section 6.6(b)**.

"Order" means any writ, judgment, decree, stipulation, agreement, determination, award, injunction or similar order of any Governmental Authority, whether temporary, preliminary or permanent.

"Ordinary Course of Business" means the usual, regular and ordinary course of business consistent with the past practice thereof (including with respect to quantity and frequency) as and to the extent modified in connection with (i) the implementation of the Viability Plans; (ii) Parent's announced shutdown, which began in May 2009; and (iii) the Bankruptcy Cases (or any other bankruptcy, insolvency or similar proceeding filed by or in respect of any Subsidiary of

Parent), in the case of clause (iii), to the extent such modifications were approved by the Bankruptcy Court (or any other court or other Governmental Authority in connection with any such other proceedings), or in furtherance of such approval.

"Organizational Document" means (i) with respect to a corporation, the certificate or articles of incorporation and bylaws or their equivalent; (ii) with respect to any other entity, any charter, bylaws, limited liability company agreement, certificate of formation, articles of organization or similar document adopted or filed in connection with the creation, formation or organization of a Person; and (iii) in the case of clauses (i) and (ii) above, any amendment to any of the foregoing other than as prohibited by **Section 6.2(b)(vi)**.

"Original Agreement" has the meaning set forth in the Recitals.

"Owned Real Property" means all real property owned by Sellers (including all buildings, structures and improvements thereon and appurtenances thereto), except for any such real property included in the Excluded Real Property.

"Parent" has the meaning set forth in the Preamble.

"Parent Employee Benefit Plans and Policies" means all (i) "employee benefit plans" (as defined in Section 3(3) of ERISA) and all pension, savings, profit sharing, retirement, bonus, incentive, health, dental, life, death, accident, disability, stock purchase, stock option, stock appreciation, stock bonus, other equity, executive or deferred compensation, hospitalization, post-retirement (including retiree medical or retiree life, voluntary employees' beneficiary associations, and multiemployer plans (as defined in Section 3(37) of ERISA)), severance, retention, change in control, vacation, cafeteria, sick leave, fringe, perquisite, welfare benefits or other employee benefit plans, programs, policies, agreements or arrangements (whether written or oral), including those plans, programs, policies, agreements and arrangements with respect to which any Employee covered by the UAW Collective Bargaining Agreement is an eligible participant, (ii) employment or individual consulting Contracts and (iii) employee manuals and written policies, practices or understandings relating to employment, compensation and benefits, and in the case of clauses (i) through (iii), sponsored, maintained, entered into, or contributed to, or required to be maintained or contributed to, by Parent.

"Parent SEC Documents" has the meaning set forth in **Section 4.5(a)**.

"Parent Shares" has the meaning set forth in **Section 3.2(a)(iii)**.

"Parent Warrant A" means warrants to acquire 45,454,545 shares of Common Stock issued pursuant to a warrant agreement, substantially in the form attached hereto as **Exhibit A**.

"Parent Warrant B" means warrants to acquire 45,454,545 shares of Common Stock issued pursuant to a warrant agreement, substantially in the form attached hereto as **Exhibit B**.

"Parent Warrants" means collectively, Parent Warrant A and Parent Warrant B.

"Participation Agreement" has the meaning set forth in **Section 6.7(b)**.

"Parties" means Sellers and Purchaser together, and "Party" means any of Sellers, on the one hand, or Purchaser, on the other hand, as appropriate and as the case may be.

"Patent Licenses" means all Contracts naming a Seller as licensee or licensor and providing for the grant of any right to manufacture, use, lease, or sell any invention, design, idea, concept, method, technique or process covered by any Patent.

"Patents" means all inventions, patentable designs, letters patent and design letters patent of the United States or any other country and all applications (regular and provisional) for letters patent or design letters patent of the United States or any other country, including applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any state thereof or any other country or any political subdivision thereof, and all reissues, divisions, continuations, continuations in part, revisions, reexaminations and extensions or renewals of any of the foregoing.

"PBGC" has the meaning set forth in **Section 4.10(a)**.

"Permits" has the meaning set forth in **Section 2.2(a)(xi)**.

"Permitted Encumbrances" means all (i) purchase money security interests arising in the Ordinary Course of Business; (ii) security interests relating to progress payments created or arising pursuant to government Contracts in the Ordinary Course of Business; (iii) security interests relating to vendor tooling arising in the Ordinary Course of Business; (iv) Encumbrances that have been or may be created by or with the written consent of Purchaser; (v) mechanic's, materialmen's, laborer's, workmen's, repairmen's, carrier's liens and other similar Encumbrances arising by operation of law or statute in the Ordinary Course of Business for amounts that are not delinquent or that are being contested in good faith by appropriate proceedings and for which appropriate reserves have been established; (vi) liens for Taxes, the validity or amount of which is being contested in good faith by appropriate proceedings, and statutory liens for current Taxes not yet due, payable or delinquent (or which may be paid without interest or penalties); (vii) with respect to the Transferred Real Property that is Owned Real Property, other than Secured Real Property Encumbrances at and following the Closing: (a) matters that a current ALTA/ACSM survey, or a similar cadastral survey in any country other than the United States, would disclose, the existence of which, individually or in the aggregate, would not materially and adversely interfere with the present use of the affected property; (b) rights of the public, any Governmental Authority and adjoining property owners in streets and highways abutting or adjacent to the applicable Owned Real Property; (c) easements, licenses, rights-of-way, covenants, servitudes, restrictions, encroachments, site plans, subdivision plans and other Encumbrances of public record or that would be disclosed by a current title commitment of the applicable Owned Real Property, which, individually or in the aggregate, would not materially and adversely interfere with the present use of the applicable Owned Real Property; and (d) such other Encumbrances, the existence of which, individually or in the aggregate, would not materially and adversely interfere with or affect the present use or occupancy of the applicable Owned Real Property; (viii) with respect to the Transferred Real Property that is Leased Real Property: (1) matters that a current ALTA/ACSM survey, or a similar cadastral survey in any country other than the United States, would disclose; (2) rights of the public, any Governmental Authority and adjoining property owners in streets and highways

abutting or adjacent to the applicable Leased Real Property; (3) easements, licenses, rights-of-way, covenants, servitudes, restrictions, encroachments, site plans, subdivision plans and other Encumbrances of public record or that would be disclosed by a current title commitment of the applicable Leased Real Property or which have otherwise been imposed on such property by landlords; (ix) in the case of the Transferred Equity Interests, all restrictions and obligations contained in any Organizational Document, joint venture agreement, shareholders agreement, voting agreement and related documents and agreements, in each case, affecting the Transferred Equity Interests; (x) except to the extent otherwise agreed to in the Ratification Agreement entered into by Sellers and GMAC on June 1, 2009 and approved by the Bankruptcy Court on the date thereof or any other written agreement between GMAC or any of its Subsidiaries and any Seller, all Claims (in each case solely to the extent such Claims constitute Encumbrances) and Encumbrances in favor of GMAC or any of its Subsidiaries in, upon or with respect to any property of Sellers or in which Sellers have an interest, including any of the following: (1) cash, deposits, certificates of deposit, deposit accounts, escrow funds, surety bonds, letters of credit and similar agreements and instruments; (2) owned or leased equipment; (3) owned or leased real property; (4) motor vehicles, inventory, equipment, statements of origin, certificates of title, accounts, chattel paper, general intangibles, documents and instruments of dealers, including property of dealers in-transit to, surrendered or returned by or repossessed from dealers or otherwise in any Seller's possession or under its control; (5) property securing obligations of Sellers under derivatives Contracts; (6) rights or property with respect to which a Claim or Encumbrance in favor of GMAC or any of its Subsidiaries is disclosed in any filing made by Parent with the SEC (including any filed exhibit); and (7) supporting obligations, insurance rights and Claims against third parties relating to the foregoing; and (xi) all rights of setoff and/or recoupment that are Encumbrances in favor of GMAC and/or its Subsidiaries against amounts owed to Sellers and/or any of their Subsidiaries with respect to any property of Sellers or in which Sellers have an interest as more fully described in clause (x) above; it being understood that nothing in this clause (xi) or preceding clause (x) shall be deemed to modify, amend or otherwise change any agreement as between GMAC or any of its Subsidiaries and any Seller.

"Person" means any individual, partnership, firm, corporation, association, trust, unincorporated organization, joint venture, limited liability company, Governmental Authority or other entity.

"Personal Information" means any information relating to an identified or identifiable living individual, including (i) first initial or first name and last name; (ii) home address or other physical address, including street name and name of city or town; (iii) e-mail address or other online contact information (e.g., instant messaging user identifier); (iv) telephone number; (v) social security number or other government-issued personal identifier such as a tax identification number or driver's license number; (vi) internet protocol address; (vii) persistent identifier (e.g., a unique customer number in a cookie); (viii) financial account information (account number, credit or debit card numbers or banking information); (ix) date of birth; (x) mother's maiden name; (xi) medical information (including electronic protected health information as defined by the rules and regulations of the Health Information Portability and Privacy Act, as amended); (xii) digitized or electronic signature; and (xiii) any other information that is combined with any of the above.

"Personal Property" has the meaning set forth in **Section 2.2(a)(vii)**.

"Petition Date" has the meaning set forth in the Recitals.

"PLR" has the meaning set forth in **Section 6.16(g)(i)**.

"Post-Closing Tax Period" means any taxable period beginning after the Closing Date and the portion of any Straddle Period beginning after the Closing Date.

"Pre-Closing Tax Period" means any taxable period ending on or before the Closing Date and the portion of any Straddle Period ending on the Closing Date.

"Preferred Stock" has the meaning set forth in **Section 5.4(b)**.

"Privacy Policy" means, with respect to any Person, any written privacy policy, statement, rule or notice regarding the collection, use, access, safeguarding and retention of Personal Information or "Personally Identifiable Information" (as defined by Section 101(41A) of the Bankruptcy Code) of any individual, including a customer, potential customer, employee or former employee of such Person, or an employee of any of such Person's automotive or parts dealers.

"Product Liabilities" has the meaning set forth in **Section 2.3(a)(ix)**.

"Promark UK Subsidiaries" has the meaning set forth in **Section 6.34**.

"Proposed Rejectable Executory Contract" has the meaning set forth in **Section 6.6(b)**.

"Purchase Price" has the meaning set forth in **Section 3.2(a)**.

"Purchased Assets" has the meaning set forth in **Section 2.2(a)**.

"Purchased Contracts" has the meaning set forth in **Section 2.2(a)(x)**.

"Purchased Subsidiaries" means, collectively, the direct Subsidiaries of Sellers included in the Transferred Entities, and their respective direct and indirect Subsidiaries, in each case, as of the Closing Date.

"Purchased Subsidiaries Employee Benefit Plans" means any (i) defined benefit or defined contribution retirement plan maintained by any Purchased Subsidiary and (ii) severance, change in control, bonus, incentive or any similar plan or arrangement maintained by a Purchased Subsidiary for the benefit of officers or senior management of such Purchased Subsidiary.

"Purchaser" has the meaning set forth in the Preamble.

"Purchaser Assumed Debt" has the meaning set forth in **Section 2.3(a)(i)**.

"Purchaser Expense Reimbursement" has the meaning set forth in **Section 8.2(b)**.

"Purchaser Material Adverse Effect" has the meaning set forth in **Section 5.3(a)**.

"Purchaser's Disclosure Schedule" means the Schedule pertaining to, and corresponding to the Section references of this Agreement, delivered by Purchaser immediately prior to the execution of the Original Agreement.

"Quitclaim Deeds" has the meaning set forth in **Section 7.2(c)(x)**.

"Receivables" has the meaning set forth in **Section 2.2(a)(iii)**.

"Rejectable Executory Contract" has the meaning set forth in **Section 6.6(b)**.

"Release" means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, migrating, dumping, discarding, burying, abandoning or disposing into the Environment of Hazardous Materials that is prohibited under, or reasonably likely to result in a Liability under, any applicable Environmental Law.

"Relevant Information" has the meaning set forth in **Section 6.16(g)(ii)**.

"Relevant Transactions" has the meaning set forth in **Section 6.16(g)(i)**.

"Ren Cen Lease" has the meaning set forth in **Section 6.30**.

"Representatives" means all officers, directors, employees, consultants, agents, lenders, accountants, attorneys and other representatives of a Person.

"Required Subdivision" has the meaning set forth in **Section 6.27(a)**.

"Restricted Cash" has the meaning set forth in **Section 2.2(a)(ii)**.

"Retained Liabilities" has the meaning set forth in **Section 2.3(b)**.

"Retained Plans" means any Parent Employee Benefit Plan and Policy that is not an Assumed Plan.

"Retained Subsidiaries" means all Subsidiaries of Sellers and their respective direct and indirect Subsidiaries, as of the Closing Date, other than the Purchased Subsidiaries.

"Retained Workers' Compensation Claims" has the meaning set forth in **Section 2.3(b)(xii)**.

"RHI" has the meaning set forth in **Section 6.30**.

"RHI Post-Closing Period" has the meaning set forth in **Section 6.30**.

"S Distribution" has the meaning set forth in the Preamble.

"S LLC" has the meaning set forth in the Preamble.

"Saginaw Landfill" has the meaning set forth in **Section 6.27(b)**.

"Saginaw Metal Casting Land" has the meaning set forth in **Section 6.27(b)**.

"Saginaw Nodular Iron Land" has the meaning set forth in **Section 6.27(b)**.

"Saginaw Service Contracts" has the meaning set forth in **Section 6.27(b)**.

"Sale Approval Order" has the meaning set forth in **Section 6.4(b)**.

"Sale Hearing" means the hearing of the Bankruptcy Court to approve the Sale Procedures and Sale Motion and enter the Sale Approval Order.

"Sale Procedures and Sale Motion" has the meaning set forth in **Section 6.4(b)**.

"Sale Procedures Order" has the meaning set forth in **Section 6.4(b)**.

"SEC" means the United States Securities and Exchange Commission.

"Secured Real Property Encumbrances" means all Encumbrances related to the Indebtedness of Sellers, which is secured by one or more parcels of the Owned Real Property, including Encumbrances related to the Indebtedness of Sellers under any synthetic lease arrangements at the White Marsh, Maryland GMPT - Baltimore manufacturing facility and the Memphis, Tennessee (SPO - Memphis) facility.

"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"Seller" or "Sellers" has the meaning set forth in the Preamble.

"Seller Group" means any combined, unitary, consolidated or other affiliated group of which any Seller or Purchased Subsidiary is or has been a member for federal, state, provincial, local or foreign Tax purposes.

"Seller Key Personnel" means those individuals described on Section 1.1E of the Sellers' Disclosure Schedule.

"Seller Material Contracts" has the meaning set forth in **Section 4.16(a)**.

"Sellers' Disclosure Schedule" means the Schedule pertaining to, and corresponding to the Section references of this Agreement, delivered by Sellers to Purchaser immediately prior to the execution of this Agreement, as updated and supplemented pursuant to **Section 6.5**, **Section 6.6** and **Section 6.26**.

"Series A Preferred Stock" has the meaning set forth in **Section 5.4(b)**.

"Settlement Agreement" means the Settlement Agreement, dated February 21, 2008 (as amended, supplemented, replaced or otherwise altered from time to time), among Parent, the UAW and certain class representatives, on behalf of the class of plaintiffs in the class action of

Int'l Union, UAW, et al. v. General Motors Corp., Civil Action No. 07-14074 (E.D. Mich. filed Sept. 9, 2007).

"Shared Executory Contracts" has the meaning set forth in **Section 6.6(d)**.

"Software" means all software of any type (including programs, applications, middleware, utilities, tools, drivers, firmware, microcode, scripts, batch files, JCL files, instruction sets and macros) and in any form (including source code, object code, executable code and user interface), databases and associated data and related documentation, in each case owned, acquired or licensed by any Seller.

"Software Licenses" means all Contracts naming a Seller as licensee or licensor and providing for the grant of any right to use, modify, reproduce, distribute or create derivative works of any Software.

"Sponsor" means the United States Department of the Treasury.

"Sponsor Affiliate" has the meaning set forth in **Section 9.22**.

"Sponsor Shares" has the meaning set forth in **Section 5.4(c)**.

"Straddle Period" means a taxable period that includes but does not end on the Closing Date.

"Subdivision Master Lease" has the meaning set forth in **Section 6.27(a)**.

"Subdivision Properties" has the meaning set forth in **Section 6.27(a)**.

"Subsidiary" or "Subsidiaries" means, with respect to any Person, any corporation, limited liability company, partnership or other legal entity (in each case, other than a joint venture if such Person is not empowered to control the day-to-day operations of such joint venture) of which such Person (either alone or through or together with any other Subsidiary) owns, directly or indirectly, more than fifty percent (50%) of the Equity Interests, the holder of which is entitled to vote for the election of the board of directors or other governing body of such corporation, limited liability company, partnership or other legal entity.

"Superior Bid" has the meaning set forth in **Section 6.4(d)**.

"TARP" means the Troubled Assets Relief Program established by Sponsor under the Emergency Economic Stabilization Act of 2008, Public Law No. 110-343, effective as of October 3, 2008, as amended by Section 7001 of Division B, Title VII of the American Recovery and Reinvestment Act of 2009, Public Law No. 111-5, effective as of February 17, 2009, as may be further amended and in effect from time to time and any guidance issued by a regulatory authority thereunder and other related Laws in effect currently or in the future in the United States.

"Tax" or "Taxes" means any federal, state, provincial, local, foreign and other income, alternative minimum, accumulated earnings, personal holding company, franchise, capital stock,

net worth or gross receipts, income, alternative or add-on minimum, capital, capital gains, sales, use, ad valorem, franchise, profits, license, privilege, transfer, withholding, payroll, employment, social, excise, severance, stamp, occupation, premium, goods and services, value added, property (including real property and personal property taxes), environmental, windfall profits or other taxes, customs, duties or similar fees, assessments or charges of any kind whatsoever, together with any interest and any penalties, additions to tax or additional amounts imposed by any Governmental Authority, including any transferee, successor or secondary liability for any such tax and any Liability assumed by Contract or arising as a result of being or ceasing to be a member of any affiliated group or similar group under state, provincial, local or foreign Law, or being included or required to be included in any Tax Return relating thereto.

"Tax Code" means the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder.

"Taxing Authority" means, with respect to any Tax, the Governmental Authority thereof that imposes such Tax and the agency, court or other Person or body (if any) charged with the interpretation, administration or collection of such Tax for such Governmental Authority.

"Tax Return" means any return, report, declaration, form, election letter, statement or other information filed or required to be filed with any Governmental Authority with respect to Taxes, including any schedule or attachment thereto or amendment thereof.

"Trademark Licenses" means all Contracts naming any Seller as licensor or licensee and providing for the grant of any right concerning any Trademark together with any goodwill connected with and symbolized by any such Trademark or Trademark Contract, and the right to prepare for sale or lease and sell or lease any and all products, inventory or services now or hereafter owned or provided by any Seller or any other Person and now or hereafter covered by such Contracts.

"Trademarks" means all domestic and foreign trademarks, service marks, collective marks, certification marks, trade dress, trade names, business names, d/b/a's, Internet domain names, designs, logos and other source or business identifiers, and all general intangibles of like nature, now or hereafter owned, adopted, used, acquired, or licensed by any Seller, all applications, registrations and recordings thereof (including applications, registrations and recordings in the United States Patent and Trademark Office or in any similar office or agency of the United States, any state thereof or any other country or any political subdivision thereof) and all reissues, extensions or renewals thereof, together with all goodwill of the business symbolized by or associated with such marks.

"Trade Secrets" means all trade secrets or Confidential Information, including any confidential technical and business information, program, process, method, plan, formula, product design, compilation of information, customer list, sales forecast, know-how, Software, and any other confidential proprietary intellectual property, and all additions and improvements to, and books and records describing or used in connection with, any of the foregoing, in each case, owned, acquired or licensed by any Seller.

"Trade Secret Licenses" means all Contracts naming a Seller as licensee or licensor and providing for the grant of any rights with respect to Trade Secrets.

"Transfer Taxes" means all transfer, documentary, sales, use, stamp, registration and other similar Taxes and fees (including any penalties and interest) incurred in connection with this Agreement and the transactions contemplated hereby and not otherwise exempted under the Bankruptcy Code, including relating to the transfer of the Transferred Real Property.

"Transfer Tax Forms" has the meaning set forth in **Section 7.2(c)(xi)**.

"Transferred Employee" has the meaning set forth in **Section 6.17(a)**.

"Transferred Entities" means all of the direct Subsidiaries of Sellers and joint venture entities or other entities in which any Seller has an Equity Interest, other than the Excluded Entities.

"Transferred Equity Interests" has the meaning set forth in **Section 2.2(a)(v)**.

"Transferred Real Property" has the meaning set forth in **Section 2.2(a)(vi)**.

"Transition Services Agreement" has the meaning set forth in **Section 7.2(c)(ix)**.

"Transition Team" has the meaning set forth in **Section 6.11(c)**.

"UAW" means the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America.

"UAW Active Labor Modifications" means the modifications to the UAW Collective Bargaining Agreement, as agreed to in the 2009 Addendum to the 2007 UAW-GM National Agreement, dated May 17, 2009, the cover page of which is attached hereto as **Exhibit C** (the 2009 Addendum without attachments), which modifications were ratified by the UAW membership on May 29, 2009.

"UAW Collective Bargaining Agreement" means any written or oral Contract, understanding or mutually recognized past practice between Sellers and the UAW with respect to Employees, including the UAW Active Labor Modifications, but excluding the agreement to provide certain retiree medical benefits specified in the Memorandum of Understanding Post-Retirement Medical Care, dated September 26, 2007, between Parent and the UAW, and the Settlement Agreement. For purpose of clarity, the term "UAW Collective Bargaining Agreement" includes all special attrition programs, divestiture-related memorandums of understanding or implementation agreements relating to any unit or location where covered UAW-represented employees remain and any current local agreement between Parent and a UAW local relating to any unit or location where UAW-represented employees are employed as of the date of the Original Agreement. For purposes of clarity, nothing in this definition extends the coverage of the UAW-GM National Agreement to any Employee of S LLC, S Distribution, Harlem, a Purchased Subsidiary or one of Parent's Affiliates; nothing in this Agreement creates a direct employment relationship with a Purchased Subsidiary's employee or an Affiliate's Employee and Parent.

"UAW Retiree Settlement Agreement" means the UAW Retiree Settlement Agreement to be executed prior to the Closing, substantially in the form attached hereto as **Exhibit D**.

"Union" means any labor union, organization or association representing any employees (but not including the UAW) with respect to their employment with any of Sellers or their Affiliates.

"United States" or "U.S." means the United States of America, including its territories and insular possessions.

"UST Credit Bid Amount" has the meaning set forth in **Section 3.2(a)(i)**.

"UST Credit Facilities" means (i) the Existing UST Loan and Security Agreement and (ii) those certain promissory notes dated December 31, 2008, April 22, 2009, May 20, 2009, and May 27, 2009, issued by Parent to Sponsor as additional compensation for the extensions of credit under the Existing UST Loan and Security Agreement, in each case, as amended.

"UST Warrant" means the warrant issued by Parent to Sponsor in consideration for the extension of credit made available to Parent under the Existing UST Loan and Security Agreement.

"VEBA Shares" has the meaning set forth in **Section 5.4(c)**.

"VEBA Note" has the meaning set forth in **Section 7.3(g)(iv)**.

"VEBA Warrant" means warrants to acquire 15,151,515 shares of Common Stock issued pursuant to a warrant agreement, substantially in the form attached hereto as **Exhibit E**.

"Viability Plans" means (i) Parent's Restructuring Plan for Long-Term Viability, dated December 2, 2008; (ii) Parent's 2009-2014 Restructuring Plan, dated February 17, 2009; (iii) Parent's 2009-2014 Restructuring Plan: Progress Report, dated March 30, 2009; and (iv) Parent's Revised Viability Plan, all as described in Parent's Registration Statement on Form S-4 (Reg. No 333-158802), initially filed with the SEC on April 27, 2009, in each case, as amended, supplemented and/or superseded.

"WARN" means the Workers Adjustment and Retraining Notification Act of 1988, as amended, and similar foreign, state and local Laws.

"Willow Run Landlord" means the Wayne County Airport Authority, or any successor landlord under the Willow Run Lease.

"Willow Run Lease" means that certain Willow Run Airport Lease of Land dated October 11, 1985, as the same may be amended, by and between the Willow Run Landlord, as landlord, and Parent, as tenant, for certain premises located at the Willow Run Airport in Wayne and Washtenaw Counties, Michigan.

"Willow Run Lease Amendment" has the meaning set forth in **Section 6.27(e)**.

"Wind Down Facility" has the meaning set forth in **Section 6.9(b)**.

Section 1.2 Other Interpretive Provisions. The words "hereof", "herein" and "hereunder" and words of similar import when used in this Agreement refer to this Agreement as a whole (including the Sellers' Disclosure Schedule) and not to any particular provision of this Agreement, and all Article, Section, Sections of the Sellers' Disclosure Schedule and Exhibit references are to this Agreement unless otherwise specified. The words "include", "includes" and "including" are deemed to be followed by the phrase "without limitation." The meanings given to terms defined herein are equally applicable to both the singular and plural forms of such terms. Whenever the context may require, any pronoun includes the corresponding masculine, feminine and neuter forms. Except as otherwise expressly provided herein, all references to "Dollars" or "$" are deemed references to lawful money of the United States. Unless otherwise specified, references to any statute, listing rule, rule, standard, regulation or other Law (a) include a reference to the corresponding rules and regulations and (b) include a reference to each of them as amended, modified, supplemented, consolidated, replaced or rewritten from time to time, and to any section of any statute, listing rule, rule, standard, regulation or other Law, including any successor to such section. Where this Agreement states that a Party "shall" or "will" perform in some manner or otherwise act or omit to act, it means that the Party is legally obligated to do so in accordance with this Agreement.

ARTICLE II
PURCHASE AND SALE

Section 2.1 Purchase and Sale of Assets; Assumption of Liabilities. On the terms and subject to the conditions set forth in this Agreement, other than as set forth in **Section 6.30**, **Section 6.34** and **Section 6.35**, at the Closing, Purchaser shall (a) purchase, accept and acquire from Sellers, and Sellers shall sell, transfer, assign, convey and deliver to Purchaser, free and clear of all Encumbrances (other than Permitted Encumbrances), Claims and other interests, the Purchased Assets and (b) assume and thereafter pay or perform as and when due, or otherwise discharge, all of the Assumed Liabilities.

Section 2.2 Purchased and Excluded Assets.

(a) The "Purchased Assets" shall consist of the right, title and interest that Sellers possess and have the right to legally transfer in and to all of the properties, assets, rights, titles and interests of every kind and nature, owned, leased, used or held for use by Sellers (including indirect and other forms of beneficial ownership), whether tangible or intangible, real, personal or mixed, and wherever located and by whomever possessed, in each case, as the same may exist as of the Closing, including the following properties, assets, rights, titles and interests (but, in every case, excluding the Excluded Assets):

(i) all cash and cash equivalents, including all marketable securities, certificates of deposit and all collected funds or items in the process of collection at Sellers' financial institutions through and including the Closing, and all bank deposits, investment accounts and lockboxes related thereto, other than the Excluded Cash and Restricted Cash;

(ii) all restricted or escrowed cash and cash equivalents, including restricted marketable securities and certificates of deposit (collectively, "Restricted Cash") other than the Restricted Cash described in **Section 2.2(b)(ii)**;

(iii) all accounts and notes receivable and other such Claims for money due to Sellers, including the full benefit of all security for such accounts, notes and Claims, however arising, including arising from the rendering of services or the sale of goods or materials, together with any unpaid interest accrued thereon from the respective obligors and any security or collateral therefor, other than intercompany receivables (collectively, "Receivables");

(iv) all intercompany obligations ("Intercompany Obligations") owed or due, directly or indirectly, to Sellers by any Subsidiary of a Seller or joint venture or other entity in which a Seller or a Subsidiary of a Seller has any Equity Interest;

(v) (A) subject to **Section 2.4**, all Equity Interests in the Transferred Entities (collectively, the "Transferred Equity Interests") and (B) the corporate charter, qualification to conduct business as a foreign corporation, arrangements with registered agents relating to foreign qualifications, taxpayer and other identification numbers, corporate seal, minute books, stock transfer books, blank stock certificates and any other documents relating to the organization, maintenance and existence of each Transferred Entity;

(vi) all Owned Real Property and Leased Real Property (collectively, the "Transferred Real Property");

(vii) all machinery, equipment (including test equipment and material handling equipment), hardware, spare parts, tools, dies, jigs, molds, patterns, gauges, fixtures (including production fixtures), business machines, computer hardware, other information technology assets, furniture, supplies, vehicles, spare parts in respect of any of the foregoing and other tangible personal property (including any of the foregoing in the possession of manufacturers, suppliers, customers, dealers or others and any of the foregoing in transit) that does not constitute Inventory (collectively, "Personal Property"), including the Personal Property located at the Excluded Real Property and identified on Section 2.2(a)(vii) of the Sellers' Disclosure Schedule;

(viii) all inventories of vehicles, raw materials, work-in-process, finished goods, supplies, stock, parts, packaging materials and other accessories related thereto (collectively, "Inventory"), wherever located, including any of the foregoing in the possession of manufacturers, suppliers, customers, dealers or others and any of the foregoing in transit or that is classified as returned goods;

(ix) (A) all Intellectual Property, whether owned, licensed or otherwise held, and whether or not registrable (including any Trademarks and other Intellectual Property associated with the Discontinued Brands), and (B) all rights

and benefits associated with the foregoing, including all rights to sue or recover for past, present and future infringement, misappropriation, dilution, unauthorized use or other impairment or violation of any of the foregoing, and all income, royalties, damages and payments now or hereafter due or payable with respect to any of the foregoing;

(x) subject to **Section 2.4**, all Contracts, other than the Excluded Contracts (collectively, the "Purchased Contracts"), including, for the avoidance of doubt, (A) the UAW Collective Bargaining Agreement and (B) any Executory Contract designated as an Assumable Executory Contract as of the applicable Assumption Effective Date;

(xi) subject to **Section 2.4**, all approvals, Contracts, authorizations, permits, licenses, easements, Orders, certificates, registrations, franchises, qualifications, rulings, waivers, variances or other forms of permission, consent, exemption or authority issued, granted, given or otherwise made available by or under the authority of any Governmental Authority, including all pending applications therefor and all renewals and extensions thereof (collectively, "Permits"), other than to the extent that any of the foregoing relate exclusively to the Excluded Assets or Retained Liabilities;

(xii) all credits, deferred charges, prepaid expenses, deposits, advances, warranties, rights, guarantees, surety bonds, letters of credit, trust arrangements and other similar financial arrangements, in each case, relating to the Purchased Assets or Assumed Liabilities, including all warranties, rights and guarantees (whether express or implied) made by suppliers, manufacturers, contractors and other third parties under or in connection with the Purchased Contracts;

(xiii) all Claims (including Tax refunds) relating to the Purchased Assets or Assumed Liabilities, including the Claims identified on Section 2.2(a)(xiii) of the Sellers' Disclosure Schedule and all Claims against any Taxing Authority for any period, other than Bankruptcy Avoidance Actions and any of the foregoing to the extent that they relate exclusively to the Excluded Assets or Retained Liabilities;

(xiv) all books, records, ledgers, files, documents, correspondence, lists, plats, specifications, surveys, drawings, advertising and promotional materials, reports and other materials (in whatever form or medium), including Tax books and records and Tax Returns used or held for use in connection with the ownership or operation of the Purchased Assets or Assumed Liabilities, including the Purchased Contracts, customer lists, customer information and account records, computer files, data processing records, employment and personnel records, advertising and marketing data and records, credit records, records relating to suppliers, legal records and information and other data;

(xv) all goodwill and other intangible personal property arising in connection with the ownership, license, use or operation of the Purchased Assets or Assumed Liabilities;

(xvi) to the extent provided in **Section 6.17(e)**, all Assumed Plans;

(xvii) all insurance policies and the rights to the proceeds thereof, other than the Excluded Insurance Policies;

(xviii) any rights of any Seller, Subsidiary of any Seller or Seller Group member to any Tax refunds, credits or abatements that relate to any Pre-Closing Tax Period or Straddle Period; and

(xix) any interest in Excluded Insurance Policies, only to the extent such interest relates to any Purchased Asset or Assumed Liability.

(b) Notwithstanding anything to the contrary contained in this Agreement, Sellers shall retain all of their respective right, title and interest in and to, and shall not, and shall not be deemed to, sell, transfer, assign, convey or deliver to Purchaser, and the Purchased Assets shall not, and shall not be deemed to, include the following (collectively, the "Excluded Assets"):

(i) cash or cash equivalents in an amount equal to $950,000,000 (the "Excluded Cash");

(ii) all Restricted Cash exclusively relating to the Excluded Assets or Retained Liabilities;

(iii) all Receivables (other than Intercompany Obligations) exclusively related to any Excluded Assets or Retained Liabilities;

(iv) all of Sellers' Equity Interests in (A) S LLC, (B) S Distribution, (C) Harlem and (D) the Subsidiaries, joint ventures and the other entities in which any Seller has any Equity Interest and that are identified on Section 2.2(b)(iv) of the Sellers' Disclosure Schedule (collectively, the "Excluded Entities");

(v) (A) all owned real property set forth on **Exhibit F** and such additional owned real property set forth on Section 2.2(b)(v) of the Sellers' Disclosure Schedule (including, in each case, any structures, buildings or other improvements located thereon and appurtenances thereto) and (B) all real property leased or subleased that is subject to a Contract designated as an "Excluded Contract" (collectively, the "Excluded Real Property");

(vi) all Personal Property that is (A) located at the Transferred Real Property and identified on Section 2.2(b)(vi) of the Sellers' Disclosure Schedule, (B) located at the Excluded Real Property, except for those items identified on Section 2.2(a)(vii) of the Sellers' Disclosure Schedule or (C) subject to a Contract

designated as an Excluded Contract (collectively, the "Excluded Personal Property");

(vii) (A) all Contracts identified on Section 2.2(b)(vii) of the Sellers' Disclosure Schedule immediately prior to the Closing, (B) all pre-petition Executory Contracts designated as Rejectable Executory Contracts, (C) all pre-petition Executory Contracts (including, for the avoidance of doubt, the Delphi Transaction Agreements and GM Assumed Contracts) that have not been designated as or deemed to be Assumable Executory Contracts in accordance with **Section 6.6** or **Section 6.31**, or that are determined, pursuant to the procedures set forth in the Sale Procedures Order, not to be assumable and assignable to Purchaser, (D) all Collective Bargaining Agreements not set forth on the Assumable Executory Contract Schedule and (E) all non-Executory Contracts for which performance by a third-party or counterparty is substantially complete and for which a Seller owes a continuing or future obligation with respect to such non-Executory Contracts (collectively, the "Excluded Contracts"), including any accounts receivable arising out of or in connection with any Excluded Contract; it being understood and agreed by the Parties hereto that, notwithstanding anything to the contrary herein, in no event shall the UAW Collective Bargaining Agreement be designated or otherwise deemed or considered an Excluded Contract;

(viii) all books, records, ledgers, files, documents, correspondence, lists, plats, specifications, surveys, drawings, advertising and promotional materials, reports and other materials (in whatever form or medium) relating exclusively to the Excluded Assets or Retained Liabilities, and any books, records and other materials that any Seller is required by Law to retain;

(ix) the corporate charter, qualification to conduct business as a foreign corporation, arrangements with registered agents relating to foreign qualifications, taxpayer and other identification numbers, corporate seal, minute books, stock transfer books, blank stock certificates and any other documents relating to the organization, maintenance and existence of each Seller and each Excluded Entity;

(x) all Claims against suppliers, dealers and any other third parties relating exclusively to the Excluded Assets or Retained Liabilities;

(xi) all of Sellers' Claims under this Agreement, the Ancillary Agreements and the Bankruptcy Code, of whatever kind or nature, as set forth in Sections 544 through 551 (inclusive), 553, 558 and any other applicable provisions of the Bankruptcy Code, and any related Claims and actions arising under such sections by operation of Law or otherwise, including any and all proceeds of the foregoing (the "Bankruptcy Avoidance Actions"), but in all cases, excluding all rights and Claims identified on Section 2.2(b)(xi) of the Sellers' Disclosure Schedule;

(xii) all credits, deferred charges, prepaid expenses, deposits and advances, warranties, rights, guarantees, surety bonds, letters of credit, trust arrangements and other similar financial arrangements, in each case, relating exclusively to the Excluded Assets or Retained Liabilities;

(xiii) all insurance policies identified on Section 2.2(b)(xiii) of the Sellers' Disclosure Schedule and the rights to proceeds thereof (collectively, the "Excluded Insurance Policies"), other than any rights to proceeds to the extent such proceeds relate to any Purchased Asset or Assumed Liability;

(xiv) all Permits, to the extent that they relate exclusively to the Excluded Assets or Retained Liabilities;

(xv) all Retained Plans; and

(xvi) those assets identified on Section 2.2(b)(xvi) of the Sellers' Disclosure Schedule.

Section 2.3 Assumed and Retained Liabilities.

(a) The "Assumed Liabilities" shall consist only of the following Liabilities of Sellers:

(i) $7,072,488,605 of Indebtedness incurred under the DIP Facility, to be restructured pursuant to the terms of **Section 6.9** (the "Purchaser Assumed Debt");

(ii) all Liabilities under each Purchased Contract;

(iii) all Intercompany Obligations owed or due, directly or indirectly, by Sellers to (A) any Purchased Subsidiary or (B) any joint venture or other entity in which a Seller or a Purchased Subsidiary has any Equity Interest (other than an Excluded Entity);

(iv) all Cure Amounts under each Assumable Executory Contract that becomes a Purchased Contract;

(v) all Liabilities of Sellers (A) arising in the Ordinary Course of Business during the Bankruptcy Case through and including the Closing Date, to the extent such Liabilities are administrative expenses of Sellers' estates pursuant to Section 503(b) of the Bankruptcy Code and (B) arising prior to the commencement of the Bankruptcy Cases to the extent approved by the Bankruptcy Court for payment by Sellers pursuant to a Final Order (and for the avoidance of doubt, Sellers' Liabilities in clauses (A) and (B) above include Sellers' Liabilities for personal property Taxes, real estate and/or other ad valorem Taxes, use Taxes, sales Taxes, franchise Taxes, income Taxes, gross receipt Taxes, excise Taxes, Michigan Business Taxes and Michigan Single Business Taxes), in each case, other than (1) Liabilities of the type described in

Section 2.3(b)(iv), **Section 2.3(b)(vi)** and **Section 2.3(b)(ix)**, (2) Liabilities arising under any dealer sales and service Contract and any Contract related thereto, to the extent such Contract has been designated as a Rejectable Executory Contract, and (3) Liabilities otherwise assumed in this **Section 2.3(a)**;

(vi) all Transfer Taxes payable in connection with the sale, transfer, assignment, conveyance and delivery of the Purchased Assets pursuant to the terms of this Agreement;

(vii) (A) all Liabilities arising under express written warranties of Sellers that are specifically identified as warranties and delivered in connection with the sale of new, certified used or pre-owned vehicles or new or remanufactured motor vehicle parts and equipment (including service parts, accessories, engines and transmissions) manufactured or sold by Sellers or Purchaser prior to or after the Closing and (B) all obligations under Lemon Laws;

(viii) all Liabilities arising under any Environmental Law (A) relating to conditions present on the Transferred Real Property, other than those Liabilities described in **Section 2.3(b)(iv)**, (B) resulting from Purchaser's ownership or operation of the Transferred Real Property after the Closing or (C) relating to Purchaser's failure to comply with Environmental Laws after the Closing;

(ix) all Liabilities to third parties for death, personal injury, or other injury to Persons or damage to property caused by motor vehicles designed for operation on public roadways or by the component parts of such motor vehicles and, in each case, manufactured, sold or delivered by Sellers (collectively, "Product Liabilities"), which arise directly out of accidents, incidents or other distinct and discreet occurrences that happen on or after the Closing Date and arise from such motor vehicles' operation or performance (for avoidance of doubt, Purchaser shall not assume, or become liable to pay, perform or discharge, any Liability arising or contended to arise by reason of exposure to materials utilized in the assembly or fabrication of motor vehicles manufactured by Sellers and delivered prior to the Closing Date, including asbestos, silicates or fluids, regardless of when such alleged exposure occurs);

(x) all Liabilities of Sellers arising out of, relating to, in respect of, or in connection with workers' compensation claims against any Seller, except for Retained Workers' Compensation Claims;

(xi) all Liabilities arising out of, relating to, in respect of, or in connection with the use, ownership or sale of the Purchased Assets after the Closing;

(xii) all Liabilities (A) specifically assumed by Purchaser pursuant to **Section 6.17** and (B) arising out of, relating to or in connection with the salaries and/or wages and vacation of all Transferred Employees that are accrued and unpaid (or with respect to vacation, unused) as of the Closing Date;

(xiii) (A) all Employment-Related Obligations and (B) Liabilities under any Assumed Plan, in each case, relating to any Employee that is or was covered by the UAW Collective Bargaining Agreement, except for Retained Workers Compensation Claims;

(xiv) all Liabilities of Sellers underlying any construction liens that constitute Permitted Encumbrances with respect to Transferred Real Property; and

(xv) those other Liabilities identified on Section 2.3(a)(xv) of the Sellers' Disclosure Schedule.

(b) Each Seller acknowledges and agrees that pursuant to the terms and provisions of this Agreement, Purchaser shall not assume, or become liable to pay, perform or discharge, any Liability of any Seller, whether occurring or accruing before, at or after the Closing, other than the Assumed Liabilities. In furtherance and not in limitation of the foregoing, and in all cases with the exception of the Assumed Liabilities, neither Purchaser nor any of its Affiliates shall assume, or be deemed to have assumed, any Indebtedness, Claim or other Liability of any Seller or any predecessor, Subsidiary or Affiliate of any Seller whatsoever, whether occurring or accruing before, at or after the Closing, including the following (collectively, the "Retained Liabilities"):

(i) all Liabilities arising out of, relating to, in respect of or in connection with any Indebtedness of Sellers (other than Intercompany Obligations and the Purchaser Assumed Debt), including those items identified on Section 2.3(b)(i) of the Sellers' Disclosure Schedule;

(ii) all Intercompany Obligations owed or due, directly or indirectly, by Sellers to (A) another Seller, (B) any Excluded Subsidiary or (C) any joint venture or other entity in which a Seller or an Excluded Subsidiary has an Equity Interest (other than a Transferred Entity);

(iii) all Liabilities arising out of, relating to, in respect of or in connection with the Excluded Assets, other than Liabilities otherwise retained in this **Section 2.3(b)**;

(iv) all Liabilities (A) associated with noncompliance with Environmental Laws (including for fines, penalties, damages and remedies); (B) arising out of, relating to, in respect of or in connection with the transportation, off-site storage or off-site disposal of any Hazardous Materials generated or located at any Transferred Real Property; (C) arising out of, relating to, in respect of or in connection with third-party Claims related to Hazardous Materials that were or are located at or that migrated or may migrate from any Transferred Real Property, except as otherwise required under applicable Environmental Laws; (D) arising under Environmental Laws related to the Excluded Real Property; or (E) for environmental Liabilities with respect to real property formerly owned, operated or leased by Sellers (as of the Closing), which, in the case of clauses (A),

(B) and (C), arose prior to or at the Closing, and which, in the case of clause (D) and (E), arise prior to, at or after the Closing;

(v) except for Taxes assumed in **Section 2.3(a)(v)** and **Section 2.3(a)(vi)**, all Liabilities with respect to any (A) Taxes arising in connection with Sellers' business, the Purchased Assets or the Assumed Liabilities and that are attributable to a Pre-Closing Tax Period (including any Taxes incurred in connection with the sale of the Purchased Assets, other than all Transfer Taxes), (B) other Taxes of any Seller and (C) Taxes of any Seller Group, including any Liability of any Seller or any Seller Group member for Taxes arising as a result of being or ceasing to be a member of any Seller Group (it being understood, for the avoidance of doubt, that no provision of this Agreement shall cause Sellers to be liable for Taxes of any Purchased Subsidiary for which Sellers would not be liable absent this Agreement);

(vi) all Liabilities for (A) costs and expenses relating to the preparation, negotiation and entry into this Agreement and the Ancillary Agreements (and the consummation of the transactions contemplated by this Agreement and the Ancillary Agreements, which, for the avoidance of doubt, shall not include any Transfer Taxes), including Advisory Fees, (B) administrative fees, professional fees and all other expenses under the Bankruptcy Code and (C) all other fees and expenses associated with the administration of the Bankruptcy Cases;

(vii) all Employment-Related Obligations not otherwise assumed in **Section 2.3(a)** and **Section 6.17**, including those arising out of, relating to, in respect of or in connection with the employment, potential employment or termination of employment of any individual (other than any Employee that is or was covered by the UAW Collective Bargaining Agreement) (A) prior to or at the Closing (including any severance policy, plan or program that exists or arises, or may be deemed to exist or arise, as a result of, or in connection with, the transactions contemplated by this Agreement) or (B) who is not a Transferred Employee arising after the Closing and with respect to both clauses (A) and (B) above, including any Liability arising out of, relating to, in respect of or in connection with any Collective Bargaining Agreement (other than the UAW Collective Bargaining Agreement);

(viii) all Liabilities arising out of, relating to, in respect of or in connection with Claims for infringement or misappropriation of third party intellectual property rights;

(ix) all Product Liabilities arising in whole or in part from any accidents, incidents or other occurrences that happen prior to the Closing Date;

(x) all Liabilities to third parties for death, personal injury, other injury to Persons or damage to property, in each case, arising out of asbestos exposure;

(xi) all Liabilities to third parties for Claims based upon Contract, tort or any other basis;

(xii) all workers' compensation Claims with respect to Employees residing in or employed in, as the case may be as defined by applicable Law, the states set forth on **Exhibit G** (collectively, "Retained Workers' Compensation Claims");

(xiii) all Liabilities arising out of, relating to, in respect of or in connection with any Retained Plan;

(xiv) all Liabilities arising out of, relating to, in respect of or in connection with any Assumed Plan or Purchased Subsidiaries Employee Benefit Plan, but only to the extent such Liabilities result from the failure of such Assumed Plan or Purchased Subsidiaries Employee Benefit Plan to comply in all respects with TARP or such Liability related to any changes to or from the administration of such Assumed Plan or Purchased Subsidiaries Employee Benefit Plan prior to the Closing Date;

(xv) the Settlement Agreement, except as provided with respect to Liabilities under Section 5A of the UAW Retiree Settlement Agreement; and

(xvi) all Liabilities arising out of, related to or in connection with any (A) implied warranty or other implied obligation arising under statutory or common law without the necessity of an express warranty or (B) allegation, statement or writing by or attributable to Sellers.

Section 2.4 Non-Assignability.

(a) If any Contract, Transferred Equity Interest (or any interest therein), Permit or other asset, which by the terms of this Agreement, is intended to be included in the Purchased Assets is determined not capable of being assigned or transferred (whether pursuant to Sections 363 or 365 of the Bankruptcy Code) to Purchaser at the Closing without the consent of another party thereto, the issuer thereof or any third party (including a Governmental Authority) ("Non-Assignable Assets"), this Agreement shall not constitute an assignment thereof, or an attempted assignment thereof, unless and until any such consent is obtained. Subject to **Section 6.3**, Sellers shall use reasonable best efforts, and Purchaser shall use reasonable best efforts to cooperate with Sellers, to obtain the consents necessary to assign to Purchaser the Non-Assignable Assets before, at or after the Closing; provided, however, that neither Sellers nor Purchaser shall be required to make any expenditure, incur any Liability, agree to any modification to any Contract or forego or alter any rights in connection with such efforts.

(b) To the extent that the consents referred to in **Section 2.4(a)** are not obtained by Sellers, except as otherwise provided in the Ancillary Documents to which one or more Sellers is a party, Sellers' sole responsibility with respect to such Non-Assignable Assets shall be to use reasonable best efforts, at no cost to Sellers, to (i) provide to Purchaser the benefits of any Non-Assignable Assets; (ii) cooperate in any

reasonable and lawful arrangement designed to provide the benefits of any Non-Assignable Assets to Purchaser without incurring any financial obligation to Purchaser; and (iii) enforce for the account of Purchaser and at the cost of Purchaser any rights of Sellers arising from any Non-Assignable Asset against such party or parties thereto; provided, however, that any such efforts described in clauses (i) through (iii) above shall be made only with the consent, and at the direction, of Purchaser. Without limiting the generality of the foregoing, with respect to any Non-Assignable Asset that is a Contract of Leased Real Property for which a consent is not obtained on or prior to the Closing Date, Purchaser shall enter into a sublease containing the same terms and conditions as such lease (unless such lease by its terms prohibits such subleasing arrangement), and entry into and compliance with such sublease shall satisfy the obligations of the Parties under this **Section 2.4(b)** until such consent is obtained.

(c) If Purchaser is provided the benefits of any Non-Assignable Asset pursuant to **Section 2.4(b)**, Purchaser shall perform, on behalf of the applicable Seller, for the benefit of the issuer thereof or the other party or parties thereto, the obligations (including payment obligations) of the applicable Seller thereunder or in connection therewith arising from and after the Closing Date and if Purchaser fails to perform to the extent required herein, Sellers, without waiving any rights or remedies that they may have under this Agreement or applicable Laws, may (i) suspend their performance under **Section 2.4(b)** in respect of the Non-Assignable Asset that is the subject of such failure to perform unless and until such situation is remedied, or (ii) perform at Purchaser's sole cost and expense, in which case, Purchaser shall reimburse Sellers' costs and expenses of such performance immediately upon receipt of an invoice therefor. To the extent that Purchaser is provided the benefits of any Non-Assignable Asset pursuant to **Section 2.4(b),** Purchaser shall indemnify, defend and hold Sellers harmless from and against any and all Liabilities relating to such Non-Assignable Asset and arising from and after the Closing Date (other than such Damages that have resulted from the gross negligence or willful misconduct of Sellers).

(d) For the avoidance of doubt, the inability of any Contract, Transferred Equity Interest (or any other interest therein), Permit or other asset, which by the terms of this Agreement is intended to be included in the Purchased Assets to be assigned or transferred to Purchaser at the Closing shall not (i) give rise to a basis for termination of this Agreement pursuant to **ARTICLE VIII** or (ii) give rise to any right to any adjustment to the Purchase Price.

ARTICLE III
CLOSING; PURCHASE PRICE

Section 3.1 Closing. The closing of the transactions contemplated by this Agreement (the "Closing") shall occur on the date that falls at least three (3) Business Days following the satisfaction and/or waiver of all conditions to the Closing set forth in **ARTICLE VII** (other than any of such conditions that by its nature is to be satisfied at the Closing, but subject to the satisfaction or waiver of such conditions), or on such other date as the Parties mutually agree, at the offices of Jenner & Block LLP, 919 Third Avenue, New York City, New York 10022-3908, or at such other place or such other date as the Parties may agree in

writing. The date on which the Closing actually occurs shall be referred to as the "Closing Date," and except as otherwise expressly provided herein, the Closing shall for all purposes be deemed effective as of 9:00 a.m., New York City time, on the Closing Date.

Section 3.2 Purchase Price.

(a) The purchase price (the "Purchase Price") shall be equal to the sum of:

(i) a Bankruptcy Code Section 363(k) credit bid in an amount equal to: (A) the amount of Indebtedness of Parent and its Subsidiaries as of the Closing pursuant to the UST Credit Facilities, and (B) the amount of Indebtedness of Parent and its Subsidiaries as of the Closing under the DIP Facility, less $8,022,488,605 of Indebtedness under the DIP Facility (such amount, the "UST Credit Bid Amount");

(ii) the UST Warrant (which the Parties agree has a value of no less than $1,000);

(iii) the valid issuance by Purchaser to Parent of (A) 50,000,000 shares of Common Stock (collectively, the "Parent Shares") and (B) the Parent Warrants; and

(iv) the assumption by Purchaser or its designated Subsidiaries of the Assumed Liabilities.

(b) On the terms and subject to the conditions set forth in this Agreement, at the Closing, Purchaser shall (i) offset, pursuant to Section 363(k) of the Bankruptcy Code, the UST Credit Bid Amount against Indebtedness of Parent and its Subsidiaries owed to Purchaser as of the Closing under the UST Credit Facilities and the DIP Facility; (ii) transfer to Parent, in accordance with the instructions provided by Parent to Purchaser prior to the Closing, the UST Warrant; and (iii) issue to Parent, in accordance with the instructions provided by Parent to Purchaser prior to the Closing, the Parent Shares and the Parent Warrants.

(c)

(i) Sellers may, at any time, seek an Order of the Bankruptcy Court (the "Claims Estimate Order"), which Order may be the Order confirming Sellers' Chapter 11 plan, estimating the aggregate allowed general unsecured claims against Sellers' estates. If in the Claims Estimate Order, the Bankruptcy Court makes a finding that the estimated aggregate allowed general unsecured claims against Sellers' estates exceed $35,000,000,000, then Purchaser will, within five (5) days of entry of the Claims Estimate Order, issue 10,000,000 additional shares of Common Stock (the "Adjustment Shares") to Parent, as an adjustment to the Purchase Price.

(ii) The number of Adjustment Shares shall be adjusted to take into account any stock dividend, stock split, combination of shares, recapitalization,

merger, consolidation, reorganization or similar transaction with respect to the Common Stock, effected from and after the Closing and before issuance of the Adjustment Shares.

(iii) At the Closing, Purchaser shall have authorized and, thereafter, shall reserve for issuance the Adjustment Shares that may be issued hereunder.

Section 3.3 Allocation. Following the Closing, Purchaser shall prepare and deliver to Sellers an allocation of the aggregate consideration among Sellers and, for any transactions contemplated by this Agreement that do not constitute an Agreed G Transaction pursuant to **Section 6.16**, Purchaser shall also prepare and deliver to the applicable Seller a proposed allocation of the Purchase Price and other consideration paid in exchange for the Purchased Assets, prepared in accordance with Section 1060, and if applicable, Section 338, of the Tax Code (the "Allocation"). The applicable Seller shall have thirty (30) days after the delivery of the Allocation to review and consent to the Allocation in writing, which consent shall not be unreasonably withheld, conditioned or delayed. If the applicable Seller consents to the Allocation, such Seller and Purchaser shall use such Allocation to prepare and file in a timely manner all appropriate Tax filings, including the preparation and filing of all applicable forms in accordance with applicable Law, including Forms 8594 and 8023, if applicable, with their respective Tax Returns for the taxable year that includes the Closing Date and shall take no position in any Tax Return that is inconsistent with such Allocation; provided, however, that nothing contained herein shall prevent the applicable Seller and Purchaser from settling any proposed deficiency or adjustment by any Governmental Authority based upon or arising out of such Allocation, and neither the applicable Seller nor Purchaser shall be required to litigate before any court, any proposed deficiency or adjustment by any Taxing Authority challenging such Allocation. If the applicable Seller does not consent to such Allocation, the applicable Seller shall notify Purchaser in writing of such disagreement within such thirty (30) day period, and thereafter, the applicable Seller shall attempt in good faith to promptly resolve any such disagreement. If the Parties cannot resolve a disagreement under this **Section 3.3**, such disagreement shall be resolved by an independent accounting firm chosen by Purchaser and reasonably acceptable to the applicable Seller, and such resolution shall be final and binding on the Parties. The fees and expenses of such accounting firm shall be borne equally by Purchaser, on the one hand, and the applicable Seller, on the other hand. The applicable Seller shall provide Purchaser, and Purchaser shall provide the applicable Seller, with a copy of any information described above required to be furnished to any Taxing Authority in connection with the transactions contemplated herein.

Section 3.4 Prorations.

(a) The following prorations relating to the Purchased Assets shall be made:

(i) Except as provided in **Section 2.3(a)(v)** and **Section 2.3(a)(vi)**, in the case of Taxes with respect to a Straddle Period, for purposes of Retained Liabilities, the portion of any such Tax that is allocable to Sellers with respect to any Purchased Asset shall be:

(A) in the case of Taxes that are either (1) based upon or related to income or receipts, or (2) imposed in connection with any sale or other transfer or assignment of property (real or personal, tangible or intangible), other than Transfer Taxes, equal to the amount that would be payable if the taxable period ended on the Closing Date; and

(B) in the case of Taxes imposed on a periodic basis, or otherwise measured by the level of any item, deemed to be the amount of such Taxes for the entire Straddle Period (after giving effect to amounts which may be deducted from or offset against such Taxes) (or, in the case of such Taxes determined on an arrears basis, the amount of such Taxes for the immediately preceding period), multiplied by a fraction, the numerator of which is the number of days in the period ending on the Closing Date and the denominator of which is the number of days in the entire Straddle Period.

In the case of any Tax based upon or measured by capital (including net worth or long-term debt) or intangibles, any amount thereof required to be allocated under this clause (i) shall be computed by reference to the level of such items on the Closing Date. All determinations necessary to effect the foregoing allocations shall be made in a manner consistent with prior practice of the applicable Seller, Seller Group member, or Seller Subsidiary.

(ii) All charges for water, wastewater treatment, sewers, electricity, fuel, gas, telephone, garbage and other utilities relating to the Transferred Real Property shall be prorated as of the Closing Date, with Sellers being liable to the extent such items relate to the Pre-Closing Tax Period, and Purchaser being liable to the extent such items relate to the Post-Closing Tax Period.

(b) If any of the foregoing proration amounts cannot be determined as of the Closing Date due to final invoices not being issued as of the Closing Date, Purchasers and Sellers shall prorate such items as and when the actual invoices are issued to the appropriate Party. The Party owing amounts to the other by means of such prorations shall pay the same within thirty (30) days after delivery of a written request by the paying Party.

Section 3.5 Post-Closing True-up of Certain Accounts.

(a) Sellers shall promptly reimburse Purchaser in U.S. Dollars for the aggregate amount of all checks, drafts and similar instruments of disbursement, including wire and similar transfers of funds, written or initiated by Sellers prior to the Closing in respect of any obligations that would have constituted Retained Liabilities at the Closing, and that clear or settle in accounts maintained by Purchaser (or its Affiliates) at or following the Closing.

(b) Purchaser shall promptly reimburse Sellers in U.S. Dollars for the aggregate amount of all checks, drafts and similar instruments of disbursement, including

wire and similar transfers of funds, written or initiated by Sellers following the Closing in respect of any obligations that would have constituted Assumed Liabilities at the Closing, and that clear or settle in accounts maintained by Sellers (or their Affiliates) at or following the Closing.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF SELLERS

Except as disclosed in the Parent SEC Documents or in the Sellers' Disclosure Schedule, each Seller represents and warrants severally, and not jointly, to Purchaser as follows:

Section 4.1 Organization and Good Standing. Each Seller and each Purchased Subsidiary is duly organized and validly existing under the Laws of its jurisdiction of organization. Subject to the limitations imposed on Sellers as a result of having filed the Bankruptcy Cases, each Seller and each Purchased Subsidiary has all requisite corporate, limited liability company, partnership or similar power, as the case may be, and authority to own, lease and operate its properties and assets and to carry on its business as now being conducted. Each Seller and each Purchased Subsidiary is duly qualified or licensed or admitted to do business, and is in good standing in (where such concept is recognized under applicable Law), the jurisdictions in which the ownership of its property or the conduct of its business requires such qualification or license, in each case, except where the failure to be so qualified, licensed or in good standing would not reasonably be expected to have a Material Adverse Effect. Sellers have made available to Purchaser prior to the execution of this Agreement true and complete copies of Sellers' Organizational Documents, in each case, as in effect on the date of this Agreement.

Section 4.2 Authorization; Enforceability. Subject to the entry and effectiveness of the Sale Approval Order, each Seller has the requisite corporate or limited liability company power and authority, as the case may be, to (a) execute and deliver this Agreement and the Ancillary Agreements to which such Seller is a party; (b) perform its obligations hereunder and thereunder; and (c) consummate the transactions contemplated by this Agreement and the Ancillary Agreements to which such Seller is a party. Subject to the entry and effectiveness of the Sale Approval Order, this Agreement constitutes, and each Ancillary Agreement, when duly executed and delivered by each Seller that is a party thereto, shall constitute, a valid and legally binding obligation of such Seller (assuming that this Agreement and such Ancillary Agreements constitute valid and legally binding obligations of Purchaser), enforceable against such Seller in accordance with its respective terms and conditions, except as enforceability may be limited by applicable bankruptcy, reorganization, insolvency, moratorium, fraudulent transfer and other similar Laws relating to or affecting the enforcement of creditors' rights generally from time to time in effect and by general equitable principles relating to enforceability, including principles of commercial reasonableness, good faith and fair dealing.

Section 4.3 Noncontravention; Consents.

(a) Subject, in the case of clauses (i), (iii) and (iv), to the entry and effectiveness of the Sale Approval Order, the execution, delivery and performance by each Seller of this Agreement and the Ancillary Agreements to which it is a party, and (subject to the entry of the Sale Approval Order) the consummation by such Seller of the

transactions contemplated hereby and thereby, do not (i) violate any Law to which the Purchased Assets are subject; (ii) conflict with or result in a breach of any provision of the Organizational Documents of such Seller; (iii) result in a material breach or constitute a material default under, or create in any Person the right to terminate, cancel or accelerate any material obligation of such Seller pursuant to any material Purchased Contract (including any material License); or (iv) result in the creation or imposition of any Encumbrance, other than a Permitted Encumbrance, upon the Purchased Assets, except for any of the foregoing in the case of clauses (i), (iii) and (iv), that would not reasonably be expected to have a Material Adverse Effect.

(b) Subject to the entry and effectiveness of the Sale Approval Order, no consent, waiver, approval, Order, Permit, qualification or authorization of, or declaration or filing with, or notification to, any Person or Governmental Authority (other than the Bankruptcy Court) is required by any Seller for the consummation by each Seller of the transactions contemplated by this Agreement or by the Ancillary Agreements to which such Seller is a party or the compliance by such Seller with any of the provisions hereof or thereof, except for (i) compliance with the applicable requirements of any Antitrust Laws and (ii) such consent, waiver, approval, Order, Permit, qualification or authorization of, or declaration or filing with, or notification to, any Person or Governmental Authority, the failure of which to be received or made would not reasonably be expected to have a Material Adverse Effect.

Section 4.4 Subsidiaries. Section 4.4 of the Sellers' Disclosure Schedule identifies each Purchased Subsidiary and the jurisdiction of organization thereof. There are no Equity Interests in any Purchased Subsidiary issued, reserved for issuance or outstanding. All of the outstanding shares of capital stock, if applicable, of each Purchased Subsidiary have been duly authorized, validly issued, are fully paid and nonassessable and are owned, directly or indirectly, by Sellers, free and clear of all Encumbrances other than Permitted Encumbrances. Sellers, directly or indirectly, have good and valid title to the outstanding Equity Interests of the Purchased Subsidiaries and, upon delivery by Sellers to Purchaser of the outstanding Equity Interests of the Purchased Subsidiaries (either directly or indirectly) at the Closing, good and valid title to the outstanding Equity Interests of the Purchased Subsidiaries will pass to Purchaser (or, with respect to any Purchased Subsidiary that is not a direct Subsidiary of a Seller, the Purchased Subsidiary with regard to which it is a Subsidiary will continue to have good and valid title to such outstanding Equity Interests). None of the outstanding Equity Interests in the Purchased Subsidiaries has been conveyed in violation of, and none of the outstanding Equity Interests in the Purchased Subsidiaries has been issued in violation of (a) any preemptive or subscription rights, rights of first offer or first refusal or similar rights or (b) any voting trust, proxy or other Contract (including options or rights of first offer or first refusal) with respect to the voting, purchase, sale or other disposition thereof.

Section 4.5 Reports and Financial Statements; Internal Controls.

(a) (i) Parent has filed or furnished, or will file or furnish, as applicable, all forms, documents, schedules and reports, together with any amendments required to be made with respect thereto, required to be filed or furnished with the SEC from April 1, 2007 until the Closing (the "Parent SEC Documents"), and (ii) as of their respective

filing dates, or, if amended, as of the date of the last such amendment, the Parent SEC Documents complied or will comply in all material respects with the requirements of the Securities Act and the Exchange Act, as applicable, and none of the Parent SEC Documents contained or will contain any untrue statement of a material fact or omitted or will omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, subject, in the case of Parent SEC Documents filed or furnished during the period beginning on the date of the Original Agreement and ending on the Closing Date, to any modification by Parent of its reporting obligations under Section 12 or Section 15(d) of the Exchange Act as a result of the filing of the Bankruptcy Cases.

(b) (i) The consolidated financial statements of Parent included in the Parent SEC Documents (including all related notes and schedules, where applicable) fairly present or will fairly present in all material respects the consolidated financial position of Parent and its consolidated Subsidiaries, as at the respective dates thereof, and (ii) the consolidated results of their operations and their consolidated cash flows for the respective periods then ended (subject, in the case of the unaudited statements, to normal year-end audit adjustments and to any other adjustments described therein, including the notes thereto) in conformity with GAAP (except, in the case of the unaudited statements, as permitted by the SEC) applied on a consistent basis during the periods involved (except as may be indicated therein or in the notes thereto), subject, in the case of Parent SEC Documents filed or furnished during the period beginning on the date of the Original Agreement and ending on the Closing Date, to any modification by Parent of its reporting obligations under Section 12 or Section 15(d) of the Exchange Act as a result of the filing of the Bankruptcy Cases.

(c) Parent maintains a system of internal control over financial reporting designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for inclusion in the Parent SEC Documents in accordance with GAAP and maintains records that (i) in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of Parent and its consolidated Subsidiaries, (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that receipts and expenditures are made only in accordance with appropriate authorizations and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of assets. There are no (A) material weaknesses in the design or operation of the internal controls of Parent or (B) to the Knowledge of Sellers, any fraud, whether or not material, that involves management or other employees of Parent or any Purchased Subsidiary who have a significant role in internal control.

Section 4.6 Absence of Certain Changes and Events. From January 1, 2009 through the date hereof, except as otherwise contemplated, required or permitted by this Agreement, there has not been:

(a) (i) any declaration, setting aside or payment of any dividend or other distribution (whether in cash, securities or other property or by allocation of additional Indebtedness to any Seller or any Key Subsidiary without receipt of fair value) with

respect to any Equity Interests in any Seller or any Key Subsidiary or any repurchase for value of any Equity Interests or rights of any Seller or any Key Subsidiary (except for dividends and distributions among its Subsidiaries) or (ii) any split, combination or reclassification of any Equity Interests in Sellers or any issuance or the authorization of any issuance of any other Equity Interests in respect of, in lieu of or in substitution for Equity Interests of Sellers;

(b) other than as is required by the terms of the Parent Employee Benefit Plans and Policies, the Settlement Agreement, the UAW Collective Bargaining Agreement or consistent with the expiration of a Collective Bargaining Agreement or as may be required by applicable Law, in each case, as may be permitted by TARP or under any enhanced restrictions on executive compensation agreed to by Parent and Sponsor, any (i) grant to any Seller Key Personnel of any increase in compensation, except increases required under employment Contracts in effect as of January 1, 2009, or as a result of a promotion to a position of additional responsibility, (ii) grant to any Seller Key Personnel of any increase in retention, change in control, severance or termination compensation or benefits, except as required under any employment Contracts in effect as of January 1, 2009, (iii) other than in the Ordinary Course of Business, adoption, termination of, entry into or amendment or modification of, in a material manner, any Benefit Plan, (iv) adoption, termination of, entry into or amendment or modification of, in a material manner, any employment, retention, change in control, severance or termination Contract with any Seller Key Personnel or (v) entry into or amendment, modification or termination of any Collective Bargaining Agreement or other Contract with any Union of any Seller or Purchased Subsidiary;

(c) any material change in accounting methods, principles or practices by any Seller, Purchased Subsidiary or Seller Group member or any material joint venture to which any Seller or Purchased Subsidiary is a party, in each case, materially affecting the consolidated assets or Liabilities of Parent, except to the extent required by a change in GAAP or applicable Law, including Tax Laws;

(d) any sale, transfer, pledge or other disposition by any Seller or any Purchased Subsidiary of any portion of its assets or properties not in the Ordinary Course of Business and with a sale price or fair value in excess of $100,000,000;

(e) aggregate capital expenditures by any Seller or any Purchased Subsidiary in excess of $100,000,000 in a single project or group of related projects or capital expenditures in excess of $100,000,000 in the aggregate;

(f) any acquisition by any Seller or any Purchased Subsidiary (including by merger, consolidation, combination or acquisition of any Equity Interests or assets) of any Person or business or division thereof (other than acquisitions of portfolio assets and acquisitions in the Ordinary Course of Business) in a transaction (or series of related transactions) where the aggregate consideration paid or received (including non-cash equity consideration) exceeded $100,000,000;

(g) any discharge or satisfaction of any Indebtedness by any Seller or any Purchased Subsidiary in excess of $100,000,000, other than the discharge or satisfaction of any Indebtedness when due in accordance with its terms;

(h) any alteration, whether through a complete or partial liquidation, dissolution, merger, consolidation, restructuring, reorganization or in any other manner, the legal structure or ownership of any Seller or any Key Subsidiary or any material joint venture to which any Seller or any Key Subsidiary is a party, or the adoption or alteration of a plan with respect to any of the foregoing;

(i) any amendment or modification to the material adverse detriment of any Key Subsidiary of any material Affiliate Contract or Seller Material Contract, or termination of any material Affiliate Contract or Seller Material Contract to the material adverse detriment of any Seller or any Key Subsidiary, in each case, other than in the Ordinary Course of Business;

(j) any event, development or circumstance involving, or any change in the financial condition, properties, assets, liabilities, business, or results of operations of Sellers or any circumstance, occurrence or development (including any adverse change with respect to any circumstance, occurrence or development existing on or prior to the end of the most recent fiscal year end) of Sellers that has had or would reasonably be expected to have a Material Adverse Effect; or

(k) any commitment by any Seller, any Key Subsidiary (in the case of clauses (a), (g) and (h) above) or any Purchased Subsidiary (in the case of clauses (b) through (f) and clauses (h) and (j) above) to do any of the foregoing.

Section 4.7 Title to and Sufficiency of Assets.

(a) Subject to the entry and effectiveness of the Sale Approval Order, at the Closing, Sellers will obtain good and marketable title to, or a valid and enforceable right by Contract to use, the Purchased Assets, which shall be transferred to Purchaser, free and clear of all Encumbrances other than Permitted Encumbrances.

(b) The tangible Purchased Assets of each Seller are in normal operating condition and repair, subject to ordinary wear and tear, and sufficient for the operation of such Seller's business as currently conducted, except where such instances of noncompliance with the foregoing would not reasonably be expected to have a Material Adverse Effect.

Section 4.8 Compliance with Laws; Permits.

(a) Each Seller and each Purchased Subsidiary is in compliance with and is not in default under or in violation of any applicable Law, except where such non-compliance, default or violation would not reasonably be expected to have a Material Adverse Effect. Notwithstanding anything contained in this **Section 4.8(a)**, no representation or warranty shall be deemed to be made in this **Section 4.8(a)** in respect of

the matters referenced in **Section 4.5**, **Section 4.9**, **Section 4.10**, **Section 4.11** or **Section 4.13**, each of which matters is addressed by such other Sections of this Agreement.

(b) (i) Each Seller has all Permits necessary for such Seller to own, lease and operate the Purchased Assets and (ii) each Purchased Subsidiary has all Permits necessary for such entity to own, lease and operate its properties and assets, except in each case, where the failure to possess such Permits would not reasonably be expected to have a Material Adverse Effect. All such Permits are in full force and effect, except where the failure to be in full force and effect would not reasonably be expected to have a Material Adverse Effect.

Section 4.9 Environmental Laws. Except as would not reasonably be expected to have a Material Adverse Effect, to the Knowledge of Sellers, (a) each Seller and each Purchased Subsidiary has conducted its business on the Transferred Real Property in compliance with all applicable Environmental Laws; (b) none of the Transferred Real Property currently contains any Hazardous Materials, which could reasonably be expected to give rise to an undisclosed Liability under applicable Environmental Laws; (c) as of the date of this Agreement, no Seller or Purchased Subsidiary has received any currently unresolved written notices, demand letters or written requests for information from any Governmental Authority indicating that such entity may be in violation of any Environmental Law in connection with the ownership or operation of the Transferred Real Property; and (d) since April 1, 2007, no Hazardous Materials have been transported in violation of any applicable Environmental Law, or in a manner reasonably foreseen to give rise to any Liability under any Environmental Law, from any Transferred Real Property as a result of any activity of any Seller or Purchased Subsidiary. Except as provided in **Section 4.8(b)** with respect to Permits under Environmental Laws, Purchaser agrees and understands that no representation or warranty is made in respect of environmental matters in any Section of this Agreement other than this **Section 4.9**.

Section 4.10 Employee Benefit Plans.

(a) Section 4.10 of the Sellers' Disclosure Schedule sets forth all material Parent Employee Benefit Plans and Policies and Purchased Subsidiaries Employee Benefit Plans (collectively, the "Benefit Plans"). Sellers have made available, upon reasonable request, to Purchaser true, complete and correct copies of (i) each material Benefit Plan, (ii) the three (3) most recent annual reports on Form 5500 (including all schedules, auditor's reports and attachments thereto) filed with the IRS with respect to each such Benefit Plan (if any such report was required by applicable Law), (iii) the most recent actuarial or other financial report prepared with respect to such Benefit Plan, if any, (iv) each trust agreement and insurance or annuity Contract or other funding or financing arrangement relating to such Benefit Plan and (v) to the extent not subject to confidentiality restrictions, any material written communications received by Sellers or any Subsidiaries of Sellers from any Governmental Authority relating to a Benefit Plan, including any communication from the Pension Benefit Guaranty Corporation (the "PBGC"), in respect of any Benefit Plan, subject to Title IV of ERISA.

(b) Except as would not reasonably be expected to have a Material Adverse Effect, (i) each Benefit Plan has been administered in accordance with its terms, (ii) each

of Sellers, any of their Subsidiaries and each Benefit Plan is in compliance with the applicable provisions of ERISA, the Tax Code, all other applicable Laws (including Section 409A of the Tax Code, TARP or under any enhanced restrictions on executive compensation agreed to by Sellers with Sponsor) and the terms of all applicable Collective Bargaining Agreements, (iii) there are no (A) investigations by any Governmental Authority, (B) termination proceedings or other Claims (except routine Claims for benefits payable under any Benefit Plans) or (C) Claims, in each case, against or involving any Benefit Plan or asserting any rights to or Claims for benefits under any Benefit Plan that could give rise to any Liability, and there are not any facts or circumstances that could give rise to any Liability in the event of any such Claim and (iv) each Benefit Plan that is intended to be a Tax-qualified plan under Section 401(a) of the Tax Code (or similar provisions for Tax-registered or Tax-favored plans of non-United States jurisdictions) is qualified and any trust established in connection with any Benefit Plan that is intended to be exempt from taxation under Section 501(a) of the Tax Code (or similar provisions for Tax-registered or Tax-favored plans of non-United States jurisdictions) is exempt from United States federal income Taxes under Section 501(a) of the Tax Code (or similar provisions under non-United States law). To the Knowledge of Sellers, no circumstance and no fact or event exists that would be reasonably expected to adversely affect the qualified status of any Benefit Plan.

(c) None of the Parent Employee Benefit Plans and Policies or any material Purchased Subsidiaries Employee Benefit Plans that is an "employee pension benefit plan" (as defined in Section 3(2) of ERISA) has failed to satisfy, as applicable, the minimum funding standards (as described in Section 302 of ERISA or Section 412 of the Tax Code), whether or not waived, nor has any waiver of the minimum funding standards of Section 302 of ERISA or Section 412 of the Tax Code been requested.

(d) No Seller or any ERISA Affiliate of any Seller (including any Purchased Subsidiary) (i) has any actual or contingent Liability (A) under any employee benefit plan subject to Title IV of ERISA other than the Benefit Plans (except for contributions not yet due), (B) to the PBGC (except for the payment of premiums not yet due), which Liability, in each case, has not been fully paid as of the date hereof, or, if applicable, which has not been accrued in accordance with GAAP or (C) under any "multiemployer plan" (as defined in Section 3(37) of ERISA), or (ii) will incur withdrawal Liability under Title IV of ERISA as a result of the consummation of the transactions contemplated hereby, except for Liabilities with respect to any of the foregoing that would not reasonably be expected to have a Material Adverse Effect.

(e) Neither the execution of this Agreement or any Ancillary Agreement nor the consummation of the transactions contemplated hereby (alone or in conjunction with any other event, including termination of employment) will entitle any member of the board of directors of Parent or any Applicable Employee who is an officer or member of senior management of Parent to any increase in compensation or benefits, any grant of severance, retention, change in control or other similar compensation or benefits, any acceleration of the time of payment or vesting of any compensation or benefits (but not including, for this purpose, any retention, stay bonus or other incentive plan, program, arrangement that is a Retained Plan) or will require the securing or funding of any

compensation or benefits or limit the right of Sellers, any Subsidiary of Sellers or Purchaser or any Affiliates of Purchaser to amend, modify or terminate any Benefit Plan. Any new grant of severance, retention, change in control or other similar compensation or benefits to any Applicable Employee, and any payout to any Transferred Employee under any such existing arrangements, that would otherwise occur as a result of the execution of this Agreement or any Ancillary Agreement (alone or in conjunction with any other event, including termination of employment), has been waived by such Applicable Employee or otherwise cancelled.

(f) No amount or other entitlement currently in effect that could be received (whether in cash or property or the vesting of property) as a result of the actions contemplated by this Agreement and the Ancillary Agreements (alone or in combination with any other event) by any Person who is a "disqualified individual" (as defined in Treasury Regulation Section 1.280G-1) (each, a "Disqualified Individual") with respect to Sellers would be an "excess parachute payment" (as defined in Section 280G(b)(1) of the Tax Code). No Disqualified Individual or Applicable Employee is entitled to receive any additional payment (e.g., any Tax gross-up or any other payment) from Sellers or any Subsidiaries of Sellers in the event that the additional or excise Tax required by Section 409A or 4999 of the Tax Code, respectively is imposed on such individual.

(g) All individuals covered by the UAW Collective Bargaining Agreement are either Applicable Employees or employed by a Purchased Subsidiary.

(h) Section 4.10(h) of the Sellers' Disclosure Schedule lists all non-standard individual agreements currently in effect providing for compensation, benefits and perquisites for any current and former officer, director or top twenty-five (25) most highly paid employee of Parent and any other such material non-standard individual agreements with non-top twenty-five (25) employees.

Section 4.11 Labor Matters. There is not any labor strike, work stoppage or lockout pending, or, to the Knowledge of Sellers, threatened in writing against or affecting any Seller or any Purchased Subsidiary. Except as would not reasonably be expected to have a Material Adverse Effect: (a) none of Sellers or any Purchased Subsidiary is engaged in any material unfair labor practice; (b) there are not any unfair labor practice charges or complaints against Sellers or any Purchased Subsidiary pending, or, to the Knowledge of Sellers, threatened, before the National Labor Relations Board; (c) there are not any pending or, to the Knowledge of Sellers, threatened in writing, union grievances against Sellers or any Purchased Subsidiary as to which there is a reasonable possibility of adverse determination; (d) there are not any pending, or, to the Knowledge of Sellers, threatened in writing, charges against Sellers or any Purchased Subsidiary or any of their current or former employees before the Equal Employment Opportunity Commission or any state or local agency responsible for the prevention of unlawful employment practices; (e) no union organizational campaign is in progress with respect to the employees of any Seller or any Purchased Subsidiary and no question concerning representation of such employees exists; and (f) no Seller nor any Purchased Subsidiary has received written communication during the past five (5) years of the intent of any Governmental Authority responsible for the enforcement of labor or employment Laws to conduct an investigation of or

affecting Sellers or any Subsidiary of Sellers and, to the Knowledge of Sellers, no such investigation is in progress.

Section 4.12 Investigations; Litigation. (a) To the Knowledge of Sellers, there is no investigation or review pending by any Governmental Authority with respect to any Seller that would reasonably be expected to have a Material Adverse Effect, and (b) there are no actions, suits, inquiries or proceedings, or to the Knowledge of Sellers, investigations, pending against any Seller, or relating to any of the Transferred Real Property, at law or in equity before, and there are no Orders of or before, any Governmental Authority, in each case that would reasonably be expected to have a Material Adverse Effect.

Section 4.13 Tax Matters. Except as would not reasonably be expected to have a Material Adverse Effect, (a) all Tax Returns required to have been filed by, with respect to or on behalf of any Seller, Seller Group member or Purchased Subsidiary have been timely filed (taking into account any extension of time to file granted or obtained) and are correct and complete in all respects, (b) all amounts of Tax required to be paid with respect to any Seller, Seller Group member or Purchased Subsidiary (whether or not shown on any Tax Return) have been timely paid or are being contested in good faith by appropriate proceedings and have been reserved for in accordance with GAAP in Parent's consolidated audited financial statements, (c) no deficiency for any amount of Tax has been asserted or assessed by a Taxing Authority in writing relating to any Seller, Seller Group member or Purchased Subsidiary that has not been satisfied by payment, settled or withdrawn, (d) there are no audits, Claims or controversies currently asserted or threatened in writing with respect to any Seller, Seller Group member or Purchased Subsidiary in respect of any amount of Tax or failure to file any Tax Return, (e) no Seller, Seller Group member or Purchased Subsidiary has agreed to any extension or waiver of the statute of limitations applicable to any Tax Return, or agreed to any extension of time with respect to a Tax assessment or deficiency, which period (after giving effect to such extension or waiver) has not yet expired, (f) no Seller, Seller Group member or Purchased Subsidiary is a party to or the subject of any ruling requests, private letter rulings, closing agreements, settlement agreements or similar agreements with any Taxing Authority for any periods for which the statute of limitations has not yet run, (g) no Seller, Seller Group member or Purchased Subsidiary (A) has any Liability for Taxes of any Person (other than any Purchased Subsidiary), including as a transferee or successor, or pursuant to any contractual obligation (other than pursuant to any commercial Contract not primarily related to Tax), or (B) is a party to or bound by any Tax sharing agreement, Tax allocation agreement or Tax indemnity agreement (in every case, other than this Agreement and those Tax sharing, Tax allocation or Tax indemnity agreements that will be terminated prior to Closing and with respect to which no post-Closing Liabilities will exist), (h) each of the Purchased Subsidiaries and each Seller and Seller Group member has withheld or collected all Taxes required to have been withheld or collected and, to the extent required, has paid such Taxes to the proper Taxing Authority, (i) no Seller, Seller Group member or Purchased Subsidiary will be required to make any adjustments in taxable income for any Tax period (or portion thereof) ending after the Closing Date, including pursuant to Section 481(a) or 263A of the Tax Code or any similar provision of foreign, provincial, state, local or other Law as a result of transactions or events occurring, or accounting methods employed, prior to the Closing, nor is any application pending with any Taxing Authority requesting permission for any changes in accounting methods that relate to any Seller, Seller Group member or Purchased Subsidiary, (j) the Assumed Liabilities were incurred through the

Ordinary Course of Business, (k) there are no Tax Encumbrances on any of the Purchased Assets or the assets of any Purchased Subsidiary (other than Permitted Encumbrances for which appropriate reserves have been established (and to the extent that such liens relate to a period ending on or before December 31, 2008, the amount of any such Liability is accrued or reserved for as a Liability in accordance with GAAP in the audited consolidated balance sheet of Sellers at December 31, 2008)), (l) none of the Purchased Subsidiaries or Sellers has been a "distributing corporation" or a "controlled corporation" in a distribution intended to qualify under Section 355(a) of the Tax Code, (m) none of the Purchased Subsidiaries, Sellers or Seller Group members has participated in any "listed transactions" or "reportable transactions" within the meaning of Treasury Regulations Section 1.6011-4, (n) there are no unpaid Taxes with respect to any Seller, Seller Group member or Purchased Asset for which Purchaser will have liability as a transferee or successor and (o) the most recent financial statements contained in the Parent SEC Documents reflect an adequate reserve for all Taxes payable by Sellers, the Purchased Subsidiaries and the members of all Seller Groups for all taxable periods and portions thereof through the date of such financial statements.

Section 4.14 Intellectual Property and IT Systems.

(a) Except as would not reasonably be expected to have a Material Adverse Effect: (i) each Seller and each Purchased Subsidiary owns, controls, or otherwise possesses sufficient rights to use, free and clear of all Encumbrances (other than Permitted Encumbrances) all Intellectual Property necessary for the conduct of its business in substantially the same manner as conducted as of the date hereof; and (ii) all Intellectual Property owned by Sellers that is necessary for the conduct of the business of Sellers and each Purchased Subsidiary as conducted as of the date hereof is subsisting and in full force and effect, has not been adjudged invalid or unenforceable, has not been abandoned or allowed to lapse, in whole or in part, and to the Knowledge of Sellers, is valid and enforceable.

(b) Except as would not reasonably be expected to have a Material Adverse Effect, all necessary registration, maintenance and renewal fees in connection with the Intellectual Property owned by Sellers have been paid and all necessary documents and certificates in connection with such Intellectual Property have been filed with the relevant patent, copyright, trademark or other authorities in the United States or applicable foreign jurisdictions, as the case may be, for the purposes of prosecuting, maintaining or renewing such Intellectual Property.

(c) Except as would not reasonably be expected to have a Material Adverse Effect, no Intellectual Property owned by Sellers is the subject of any licensing or franchising Contract that prohibits or materially restricts the conduct of business as presently conducted by any Seller or Purchased Subsidiary or the transfer of such Intellectual Property.

(d) Except as would not reasonably be expected to have a Material Adverse Effect: (i) the Intellectual Property or the conduct of Sellers' and the Purchased Subsidiaries' businesses does not infringe, misappropriate, dilute, or otherwise violate or conflict with the trademarks, patents, copyrights, inventions, trade secrets, proprietary

information and technology, know-how, formulae, rights of publicity or any other intellectual property rights of any Person; (ii) to the Knowledge of Sellers, no other Person is now infringing or in conflict with any Intellectual Property owned by Sellers or Sellers' rights thereunder; and (iii) no Seller or any Purchased Subsidiary has received any written notice that it is violating or has violated the trademarks, patents, copyrights, inventions, trade secrets, proprietary information and technology, know-how, formulae, rights of publicity or any other intellectual property rights of any third party.

(e) Except as would not reasonably be expected to have a Material Adverse Effect, no holding, decision or judgment has been rendered by any Governmental Authority against any Seller, which would limit, cancel or invalidate any Intellectual Property owned by Sellers.

(f) No action or proceeding is pending, or to the Knowledge of Sellers, threatened, on the date hereof that (i) seeks to limit, cancel or invalidate any Intellectual Property owned by Sellers or such Sellers' ownership interest therein; and (ii) if adversely determined, would reasonably be expected to have a Material Adverse Effect.

(g) Except as would not reasonably be expected to have a Material Adverse Effect, Sellers and the Purchased Subsidiaries have taken reasonable actions to (i) maintain, enforce and police their Intellectual Property; and (ii) protect their material Software, websites and other systems (and the information therein) from unauthorized access or use.

(h) Except as would not reasonably be expected to have a Material Adverse Effect: (i) each Seller and Purchased Subsidiary has taken reasonable steps to protect its rights in, and confidentiality of, all the Trade Secrets, and any other confidential information owned by such Seller or Purchased Subsidiary; and (ii) to the Knowledge of Sellers, such Trade Secrets have not been disclosed by Sellers to any Person except pursuant to a valid and appropriate non-disclosure, license or any other appropriate Contract that has not been breached.

(i) Except as would not reasonably be expected to have a Material Adverse Effect, there has not been any malfunction with respect to any of the Software, electronic data processing, data communication lines, telecommunication lines, firmware, hardware, Internet websites or other information technology equipment of any Seller or Purchased Subsidiary since April 1, 2007, which has not been remedied or replaced in all respects.

(j) Except as would not reasonably be expected to have a Material Adverse Effect: (i) the consummation of the transactions contemplated by this Agreement will not cause to be provided or licensed to any third Person, or give rise to any rights of any third Person with respect to, any source code that is part of the Software owned by Sellers; and (ii) Sellers have implemented reasonable disaster recovery and back-up plans with respect to the Software.

Section 4.15 Real Property. Each Seller owns and has valid title to the Transferred Real Property that is Owned Real Property owned by it and has valid leasehold or

subleasehold interests, as the case may be, in all of the Transferred Real Property that is Leased Real Property leased or subleased by it, in each case, free and clear of all Encumbrances, other than Permitted Encumbrances. Each of Sellers and the Purchased Subsidiaries has complied with the terms of each lease, sublease, license or other Contract relating to the Transferred Real Property to which it is a party, except any failure to comply that would not reasonably be expected to have a Material Adverse Effect.

Section 4.16 Material Contracts.

(a) Except for this Agreement, the Parent Employee Benefit Plans and Policies, except as filed with, or disclosed or incorporated in, the Parent SEC Documents or except as set forth on Section 4.16 of the Sellers' Disclosure Schedule, as of the date hereof, no Seller is a party to or bound by (i) any "material contract" (as such term is defined in Item 601(b)(10) of Regulation S-K of the SEC); (ii) any non-compete or exclusivity agreement that materially restricts the operation of Sellers' core business; (iii) any asset purchase agreement, stock purchase agreement or other agreement entered into within the past six years governing a material joint venture or the acquisition or disposition of assets or other property where the consideration paid or received for such assets or other property exceeded $500,000,000 (whether in cash, stock or otherwise); (iv) any agreement or series of related agreements with any supplier of Sellers who directly support the production of vehicles, which provided collectively for payments by Sellers to such supplier in excess of $250,000,000 during the 12-month period ended December 31, 2008; (v) any agreement or series of related agreements with any supplier of Sellers who does not directly support the production of vehicles, which, provided collectively for payments by Sellers to such supplier in excess of $100,000,000 during the 12-month period ended April 30, 2009; (vi) any Contract relating to the lease or purchase of aircraft; (vii) any settlement agreement where a Seller has paid or may be required to pay an amount in excess of $100,000,000 to settle the Claims covered by such settlement agreement; (viii) any material Contract that will, following the Closing, as a result of transactions contemplated hereby, be between or among a Seller or any Retained Subsidiary, on the one hand, and Purchaser or any Purchased Subsidiary, on the other hand (other than the Ancillary Agreements); and (ix) agreements entered into in connection with a material joint venture (all Contracts of the type described in this **Section 4.16(a)** being referred to herein as "Seller Material Contracts").

(b) No Seller is in breach of or default under, or has received any written notice alleging any breach of or default under, the terms of any Seller Material Contract or material License, where such breach or default would reasonably be expected to have a Material Adverse Effect. To the Knowledge of Sellers, no other party to any Seller Material Contract or material License is in breach of or default under the terms of any Seller Material Contract or material License, where such breach or default would reasonably be expected to have a Material Adverse Effect. Except as would not reasonably be expected to have a Material Adverse Effect, each Seller Material Contract or material License is a valid, binding and enforceable obligation of such Seller that is party thereto and, to the Knowledge of Sellers, of each other party thereto, and is in full force and effect, except as enforceability may be limited by applicable bankruptcy, reorganization, insolvency, moratorium, fraudulent transfer and other similar Laws

relating to or affecting the enforcement of creditors' rights generally from time to time in effect and by general equitable principles relating to enforceability, including principles of commercial reasonableness, good faith and fair dealing.

Section 4.17 Dealer Sales and Service Agreements for Continuing Brands. Parent is not in breach of or default under the terms of any United States dealer sales and service Contract for Continuing Brands other than any Excluded Continuing Brand Dealer Agreement (each, a "Dealer Agreement"), where such breach or default would reasonably be expected to have a Material Adverse Effect. To the Knowledge of Sellers, no other party to any Dealer Agreement is in breach of or default under the terms of such Dealer Agreement, where such breach or default would not reasonably be expected to have a Material Adverse Effect. Except as would not reasonably be expected to have a Material Adverse Effect, each Dealer Agreement is a valid and binding obligation of Parent and, to the Knowledge of Sellers, of each other party thereto, and is in full force and effect, except as enforceability may be limited by applicable bankruptcy, reorganization, insolvency, moratorium, fraudulent transfer and other similar Laws relating to or affecting the enforcement of creditors' rights generally from time to time in effect and by general equitable principles relating to enforceability, including principles of commercial reasonableness, good faith and fair dealing.

Section 4.18 Sellers' Products.

(a) To the Knowledge of Sellers, since April 1, 2007, neither Sellers nor any Purchased Subsidiary has conducted or decided to conduct any material recall or other field action concerning any product developed, designed, manufactured, sold, provided or placed in the stream of commerce by or on behalf of any Seller or any Purchased Subsidiary.

(b) As of the date hereof, there are no material pending actions for negligence, manufacturing negligence or improper workmanship, or material pending actions, in whole or in part, premised upon product liability, against or otherwise naming as a party any Seller, Purchased Subsidiary or any predecessor-in-interest of any of the foregoing Persons, or to the Knowledge of Sellers, threatened in writing or of which Seller has received written notice that involve a product liability Claim resulting from the ownership, possession or use of any product manufactured, sold or delivered by any Seller, any Purchased Subsidiary or any predecessor-in-interest of any of the foregoing Persons, which would reasonably be expected to have a Material Adverse Effect.

(c) To the Knowledge of Sellers and except as would not reasonably be expected to have a Material Adverse Effect, no supplier to any Seller has threatened in writing to cease the supply of products or services that could impair future production at a major production facility of such Seller.

Section 4.19 Certain Business Practices. Each of Sellers and the Purchased Subsidiaries is in compliance with the legal requirements under the Foreign Corrupt Practices Act, as amended (the "FCPA"), except for such failures, whether individually or in the aggregate, to maintain books and records or internal controls as required thereunder that are not

material. To the Knowledge of Sellers, since April 1, 2007, no Seller or Purchased Subsidiary, nor any director, officer, employee or agent thereof, acting on its, his or her own behalf or on behalf of any of the foregoing Persons, has offered, promised, authorized the payment of, or paid, any money, or the transfer of anything of value, directly or indirectly, to or for the benefit of: (a) any employee, official, agent or other representative of any foreign Governmental Authority, or of any public international organization; or (b) any foreign political party or official thereof or candidate for foreign political office for the purpose of influencing any act or decision of such recipient in the recipient's official capacity, or inducing such recipient to use his, her or its influence to affect any act or decision of such foreign government or department, agency or instrumentality thereof or of such public international organization, or securing any improper advantage, in the case of both clause (a) and (b) above, in order to assist any Seller or any Purchased Subsidiary to obtain or retain business for, or to direct business to, any Seller or any Purchased Subsidiary and under circumstances that would subject any Seller or any Purchased Subsidiary to material Liability under any applicable Laws of the United States (including the FCPA) or of any foreign jurisdiction where any Seller or any Purchased Subsidiary does business relating to corruption, bribery, ethical business conduct, money laundering, political contributions, gifts and gratuities, or lawful expenses.

Section 4.20 Brokers and Other Advisors. No broker, investment banker, financial advisor, counsel (other than legal counsel) or other Person is entitled to any broker's, finder's or financial advisor's fee or commission (collectively, "Advisory Fees") in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of Sellers or any Affiliate of any Seller.

Section 4.21 Investment Representations.

(a) Each Seller is acquiring the Parent Shares for its own account solely for investment and not with a view to, or for sale in connection with, any distribution thereof in violation of the Securities Act or the applicable securities Laws of any jurisdiction. Each Seller agrees that it shall not transfer any of the Parent Shares, except in compliance with the Securities Act and with the applicable securities Laws of any other jurisdiction.

(b) Each Seller is an "Accredited Investor" as defined in Rule 501(a) promulgated under the Securities Act.

(c) Each Seller understands that the acquisition of the Parent Shares to be acquired by it pursuant to the terms of this Agreement involves substantial risk. Each Seller and its officers have experience as an investor in the Equity Interests of companies such as the ones being transferred pursuant to this Agreement and each Seller acknowledges that it can bear the economic risk of its investment and has such knowledge and experience in financial or business matters that it is capable of evaluating the merits and risks of its investment in the Parent Shares to be acquired by it pursuant to the transactions contemplated by this Agreement.

(d) Each Seller further understands and acknowledges that the Parent Shares have not been registered under the Securities Act or under the applicable securities Laws of any jurisdiction and agrees that the Parent Shares may not be sold, transferred, offered

for sale, pledged, hypothecated or otherwise disposed of without registration under the Securities Act or under the applicable securities Laws of any jurisdiction, or, in each case, an applicable exemption therefrom.

(e) Each Seller acknowledges that the offer and sale of the Parent Shares has not been accomplished by the publication of any advertisement.

Section 4.22 No Other Representations or Warranties of Sellers. EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES CONTAINED IN THIS **ARTICLE IV**, NONE OF SELLERS AND ANY PERSON ACTING ON BEHALF OF A SELLER MAKES ANY OTHER EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY WITH RESPECT TO SELLERS, ANY OF THEIR AFFILIATES, SELLERS' BUSINESS, THE PURCHASED ASSETS, THE ASSUMED LIABILITIES OR WITH RESPECT TO ANY OTHER INFORMATION PROVIDED TO PURCHASER OR ANY OF ITS AFFILIATES OR REPRESENTATIVES IN CONNECTION WITH THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT. WITHOUT LIMITING THE FOREGOING, EXCEPT AS SET FORTH IN THE REPRESENTATIONS AND WARRANTIES OF SELLERS CONTAINED IN THIS **ARTICLE IV**, SELLERS MAKE NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AT LAW OR IN EQUITY, WITH RESPECT TO (A) MERCHANTABILITY, FITNESS FOR ANY PARTICULAR PURPOSE OR USE, TITLE OR NON-INFRINGEMENT OF THE PURCHASED ASSETS, (B) ANY INFORMATION, WRITTEN OR ORAL AND IN ANY FORM PROVIDED OR MADE AVAILABLE (WHETHER BEFORE OR, IN CONNECTION WITH ANY SUPPLEMENT, MODIFICATION OR UPDATE TO THE SELLERS' DISCLOSURE SCHEDULE PURSUANT TO **SECTION 6.5**, **SECTION 6.6** OR **SECTION 6.26,** AFTER THE DATE HEREOF) TO PURCHASER OR ANY OF ITS AFFILIATES OR REPRESENTATIVES, INCLUDING IN "DATA ROOMS" (INCLUDING ON-LINE DATA ROOMS), MANAGEMENT PRESENTATIONS, FUNCTIONAL "BREAK-OUT" DISCUSSIONS, RESPONSES TO QUESTIONS SUBMITTED ON BEHALF OF THEM OR OTHER COMMUNICATIONS BETWEEN THEM OR ANY OF THEIR REPRESENTATIVES, ON THE ONE HAND, AND SELLERS, THEIR AFFILIATES, OR ANY OF THEIR REPRESENTATIVES, ON THE OTHER HAND, OR ON THE ACCURACY OR COMPLETENESS OF ANY SUCH INFORMATION, OR ANY PROJECTIONS, ESTIMATES, BUSINESS PLANS OR BUDGETS DELIVERED TO OR MADE AVAILABLE TO PURCHASER OR ANY OF ITS AFFILIATES OR REPRESENTATIVES OR (C) FUTURE REVENUES, EXPENSES OR EXPENDITURES, FUTURE RESULTS OF OPERATIONS (OR ANY COMPONENT THEREOF), FUTURE CASH FLOWS OR FUTURE FINANCIAL CONDITION (OR ANY COMPONENT THEREOF) OF SELLERS' BUSINESS OR THE PURCHASED ASSETS.

ARTICLE V
REPRESENTATIONS AND WARRANTIES OF PURCHASER

Purchaser hereby represents and warrants to Sellers as follows:

Section 5.1 Organization and Good Standing. Purchaser is a legal entity duly organized, validly existing and in good standing under the Laws of its jurisdiction of

incorporation. Purchaser has the requisite corporate power and authority to own, lease and operate its assets and to carry on its business as now being conducted.

Section 5.2 Authorization; Enforceability.

(a) Purchaser has the requisite corporate power and authority to (i) execute and deliver this Agreement and the Ancillary Agreements to which it is a party; (ii) perform its obligations hereunder and thereunder; and (iii) consummate the transactions contemplated by this Agreement and the Ancillary Agreements to which it is a party.

(b) This Agreement constitutes, and each of the Ancillary Agreements to which Purchaser is a party, when duly executed and delivered by Purchaser, shall constitute, a valid and legally binding obligation of Purchaser (assuming that this Agreement and such Ancillary Agreements constitute valid and legally binding obligations of each Seller that is a party thereto and the other applicable parties thereto), enforceable against Purchaser in accordance with its respective terms and conditions, except as may be limited by applicable bankruptcy, reorganization, insolvency, moratorium, fraudulent transfer and other similar Laws relating to or affecting the enforcement of creditors' rights generally from time to time in effect and by general equitable principles relating to enforceability, including principles of commercial reasonableness, good faith and fair dealing.

Section 5.3 Noncontravention; Consents.

(a) The execution and delivery by Purchaser of this Agreement and the Ancillary Agreements to which it is a party, and (subject to the entry of the Sale Approval Order) the consummation by Purchaser of the transactions contemplated hereby and thereby, do not (i) violate any Law to which Purchaser or its assets is subject; (ii) conflict with or result in a breach of any provision of the Organizational Documents of Purchaser; or (iii) create a breach, default, termination, cancellation or acceleration of any obligation of Purchaser under any Contract to which Purchaser is a party or by which Purchaser or any of its assets or properties is bound or subject, except for any of the foregoing in the cases of clauses (i) and (iii), that would not reasonably be expected to have a material adverse effect on Purchaser's ability to consummate the transactions contemplated hereby or thereby or to perform any of its obligations under this Agreement or any Ancillary Agreement to which it is a party (a "Purchaser Material Adverse Effect").

(b) No consent, waiver, approval, Order, Permit or authorization of, or declaration or filing with, or notification to, any Person or Governmental Authority is required by Purchaser for the consummation by Purchaser of the transactions contemplated by this Agreement or the Ancillary Agreements to which it is a party or the compliance by Purchaser with any of the provisions hereof or thereof, except for (i) compliance with the applicable requirements of any Antitrust Laws and (ii) such consent, waiver, approval, Order, Permit, qualification or authorization of, or declaration or filing with, or notification to, any Governmental Authority, the failure of which to be received

or made would not, individually or in the aggregate, reasonably be expected to have a Purchaser Material Adverse Effect.

Section 5.4 Capitalization.

(a) As of the date hereof, Sponsor holds beneficially and of record 1,000 shares of common stock, par value $0.01 per share, of Purchaser, which constitutes all of the outstanding capital stock of Purchaser, and all such capital stock is validly issued, fully paid and nonassessable.

(b) Immediately following the Closing, the authorized capital stock of Purchaser (or, if a Holding Company Reorganization has occurred prior to the Closing, Holding Company) will consist of 2,500,000,000 shares of common stock, par value $0.01 per share ("Common Stock"), and 1,000,000,000 shares of preferred stock, par value $0.01 per share ("Preferred Stock"), of which 360,000,000 shares of Preferred Stock are designated as Series A Fixed Rate Cumulative Perpetual Preferred Stock, par value $0.01 per share (the "Series A Preferred Stock").

(c) Immediately following the Closing, (i) Canada or one or more of its Affiliates will hold beneficially and of record 58,368,644 shares of Common Stock and 16,101,695 shares of Series A Preferred Stock (collectively, the "Canada Shares"), (ii) Sponsor or one or more of its Affiliates collectively will hold beneficially and of record 304,131,356 shares of Common Stock and 83,898,305 shares of Series A Preferred Stock (collectively, the "Sponsor Shares") and (iii) the New VEBA will hold beneficially and of record 87,500,000 shares of Common Stock and 260,000,000 shares of Series A Preferred Stock (collectively, the "VEBA Shares"). Immediately following the Closing, there will be no other holders of Common Stock or Preferred Stock.

(d) Except as provided under the Parent Warrants, VEBA Warrants, Equity Incentive Plans or as disclosed on the Purchaser's Disclosure Schedule, there are and, immediately following the Closing, there will be no outstanding options, warrants, subscriptions, calls, convertible securities, phantom equity, equity appreciation or similar rights, or other rights or Contracts (contingent or otherwise) (including any right of conversion or exchange under any outstanding security, instrument or other Contract or any preemptive right) obligating Purchaser to deliver or sell, or cause to be issued, delivered or sold, any shares of its capital stock or other equity securities, instruments or rights that are, directly or indirectly, convertible into or exercisable or exchangeable for any shares of its capital stock. There are no outstanding contractual obligations of Purchaser to repurchase, redeem or otherwise acquire any shares of its capital stock or to provide funds to, or make any material investment (in the form of a loan, capital contribution or otherwise) in, any other Person. There are no voting trusts, shareholder agreements, proxies or other Contracts or understandings in effect with respect to the voting or transfer of any of the shares of Common Stock to which Purchaser is a party or by which Purchaser is bound. Except as provided under the Equity Registration Rights Agreement or as disclosed in the Purchaser's Disclosure Schedule, Purchaser has not granted or agreed to grant any holders of shares of Common Stock or securities

convertible into shares of Common Stock registration rights with respect to such shares under the Securities Act.

(e) Immediately following the Closing, (i) all of the Canada Shares, the Parent Shares and the Sponsor Shares will be duly and validly authorized and issued, fully paid and nonassessable, and will be issued in accordance with the registration or qualification provisions of the Securities Act or pursuant to valid exemptions therefrom and (ii) none of the Canada Shares, the Parent Shares or the Sponsor Shares will be issued in violation of any preemptive rights.

Section 5.5 Valid Issuance of Shares. The Parent Shares, Adjustment Shares and the Common Stock underlying the Parent Warrants, when issued, sold and delivered in accordance with the terms and for the consideration set forth in this Agreement and the related warrant agreement, as applicable, will be (a) validly issued, fully paid and nonassessable and (b) free of restrictions on transfer other than restrictions on transfer under applicable state and federal securities Laws and Encumbrances created by or imposed by Sellers. Assuming the accuracy of the representations of Sellers in **Section 4.21**, the Parent Shares, Adjustment Shares and Parent Warrants will be issued in compliance with all applicable federal and state securities Laws.

Section 5.6 Investment Representations.

(a) Purchaser is acquiring the Transferred Equity Interests for its own account solely for investment and not with a view to, or for sale in connection with, any distribution thereof in violation of the Securities Act or the applicable securities Laws of any jurisdiction. Purchaser agrees that it shall not transfer any of the Transferred Equity Interests, except in compliance with the Securities Act and with the applicable securities Laws of any other jurisdiction.

(b) Purchaser is an "Accredited Investor" as defined in Rule 501(a) promulgated under the Securities Act.

(c) Purchaser understands that the acquisition of the Transferred Equity Interests to be acquired by it pursuant to the terms of this Agreement involves substantial risk. Purchaser and its officers have experience as an investor in Equity Interests of companies such as the ones being transferred pursuant to this Agreement and Purchaser acknowledges that it can bear the economic risk of its investment and has such knowledge and experience in financial or business matters that it is capable of evaluating the merits and risks of its investment in the Transferred Equity Interests to be acquired by it pursuant to the transactions contemplated hereby.

(d) Purchaser further understands and acknowledges that the Transferred Equity Interests have not been registered under the Securities Act or under the applicable securities Laws of any jurisdiction and agrees that the Transferred Equity Interests may not be sold, transferred, offered for sale, pledged, hypothecated or otherwise disposed of without registration under the Securities Act or under the applicable securities Laws of any jurisdiction, or, in each case, an applicable exemption therefrom.

(e) Purchaser acknowledges that the offer and sale of the Transferred Equity Interests has not been accomplished by the publication of any advertisement.

Section 5.7 Continuity of Business Enterprise. It is the present intention of Purchaser to directly, or indirectly through its Subsidiaries, continue at least one significant historic business line of each Seller, or use at least a significant portion of each Seller's historic business assets in a business, in each case, within the meaning of Treas. Reg. § 1.368-1(d).

Section 5.8 Integrated Transaction. Sponsor has contributed, or will, prior to the Closing, contribute the UST Credit Facilities, a portion of the DIP Facility that is owed as of the Closing and the UST Warrant to Purchaser solely for the purposes of effectuating the transactions contemplated by this Agreement.

Section 5.9 No Other Representations or Warranties of Sellers. PURCHASER HEREBY ACKNOWLEDGES AND AGREES THAT, EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES CONTAINED IN **ARTICLE IV**, NONE OF SELLERS AND ANY PERSON ACTING ON BEHALF OF A SELLER MAKES ANY OTHER EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY WITH RESPECT TO SELLERS, ANY OF THEIR AFFILIATES, SELLERS' BUSINESS, THE PURCHASED ASSETS, THE ASSUMED LIABILITIES OR WITH RESPECT TO ANY OTHER INFORMATION PROVIDED TO PURCHASER OR ANY OF ITS AFFILIATES OR REPRESENTATIVES IN CONNECTION WITH THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT. WITHOUT LIMITING THE FOREGOING, EXCEPT AS SET FORTH IN THE REPRESENTATIONS AND WARRANTIES OF SELLERS CONTAINED IN **ARTICLE IV**, PURCHASER FURTHER HEREBY ACKNOWLEDGES AND AGREES THAT SELLERS MAKE NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AT LAW OR IN EQUITY, WITH RESPECT TO (A) MERCHANTABILITY, FITNESS FOR ANY PARTICULAR PURPOSE OR USE, TITLE OR NON-INFRINGEMENT OF THE PURCHASED ASSETS, (B) ANY INFORMATION, WRITTEN OR ORAL AND IN ANY FORM PROVIDED OR MADE AVAILABLE (WHETHER BEFORE OR, IN CONNECTION WITH ANY SUPPLEMENT, MODIFICATION OR UPDATE TO THE SELLERS' DISCLOSURE SCHEDULE PURSUANT TO **SECTION 6.5**, **SECTION 6.6** OR **SECTION 6.26,** AFTER THE DATE HEREOF) TO PURCHASER OR ANY OF ITS REPRESENTATIVES, INCLUDING IN "DATA ROOMS" (INCLUDING ON-LINE DATA ROOMS), MANAGEMENT PRESENTATIONS, FUNCTIONAL "BREAK-OUT" DISCUSSIONS, RESPONSES TO QUESTIONS SUBMITTED ON BEHALF OF IT OR OTHER COMMUNICATIONS BETWEEN IT OR ANY OF ITS AFFILIATES OR REPRESENTATIVES, ON THE ONE HAND, AND SELLERS, THEIR AFFILIATES, OR ANY OF THEIR REPRESENTATIVES, ON THE OTHER HAND, OR ON THE ACCURACY OR COMPLETENESS OF ANY SUCH INFORMATION OR (C) ANY PROJECTIONS, ESTIMATES, BUSINESS PLANS OR BUDGETS DELIVERED TO OR MADE AVAILABLE TO PURCHASER OR ANY OF ITS AFFILIATES OR REPRESENTATIVES OR (D) FUTURE REVENUES, EXPENSES OR EXPENDITURES, FUTURE RESULTS OF OPERATIONS (OR ANY COMPONENT THEREOF), FUTURE CASH FLOWS OR FUTURE FINANCIAL CONDITION (OR ANY COMPONENT THEREOF) OF SELLERS' BUSINESS OR THE PURCHASED ASSETS.

ARTICLE VI
COVENANTS

Section 6.1 Access to Information.

(a) Sellers agree that, until the earlier of the Executory Contract Designation Deadline and the termination of this Agreement, Purchaser shall be entitled, through its Representatives or otherwise, to have reasonable access to the executive officers and Representatives of Sellers and the properties and other facilities, businesses, books, Contracts, personnel, records and operations (including the Purchased Assets and Assumed Liabilities) of Sellers and their Subsidiaries, including access to systems, data, databases for benefit plan administration; provided however, that no such investigation or examination shall be permitted to the extent that it would, in Sellers' reasonable determination, require any Seller, any Subsidiary of any Seller or any of their respective Representatives to disclose information subject to attorney-client privilege or in conflict with any confidentiality agreement to which any Seller, any Subsidiary of any Seller or any of their respective Representatives are bound (in which case, to the extent requested by Purchaser, Sellers will use reasonable best efforts to seek an amendment or appropriate waiver, or necessary consents, as may be required to avoid such conflict, or restructure the form of access, so as to permit the access requested); provided further, that notwithstanding the notice provisions in **Section 9.2** hereof, all such requests for access to the executive officers of Sellers shall be directed, prior to the Closing, to the Chief Financial Officer of Parent or his designee, and following the Closing, to the Chief Restructuring Officer of Parent or his or her designee. If any material is withheld pursuant to this **Section 6.1(a)**, Seller shall inform Purchaser in writing as to the general nature of what is being withheld and the reason for withholding such material.

(b) Any investigation and examination contemplated by this **Section 6.1** shall be subject to restrictions set forth in **Section 6.24** and under applicable Law. Sellers shall cooperate, and shall cause their Subsidiaries and each of their respective Representatives to cooperate, with Purchaser and its Representatives in connection with such investigation and examination, and each of Purchaser and its Representatives shall use their reasonable best efforts to not materially interfere with the business of Sellers and their Subsidiaries. Without limiting the generality of the foregoing, subject to **Section 6.1(a),** such investigation and examination shall include reasonable access to Sellers' executive officers (and employees of Sellers and their respective Subsidiaries identified by such executive officers), offices, properties and other facilities, and books, Contracts and records (including any document retention policies of Sellers) and access to accountants of Sellers and each of their respective Subsidiaries (provided that Sellers and each of their respective Subsidiaries, as applicable, shall have the right to be present at any meeting between any such accountant and Purchaser or Representative of Purchaser, whether such meeting is in person, telephonic or otherwise) and Sellers and each of their respective Subsidiaries and their Representatives shall prepare and furnish to Purchaser's Representatives such additional financial and operating data and other information as Purchaser may from time to time reasonably request, subject, in each case, to the confidentiality restrictions outlined in this **Section 6.1**. Notwithstanding anything contained herein to the contrary, Purchaser shall consult with Sellers prior to conducting

any environmental investigations or examinations of any nature, including Phase I and Phase II site assessments and any environmental sampling in respect of the Transferred Real Property.

Section 6.2 Conduct of Business.

(a) Except as (i) otherwise expressly contemplated by or permitted under this Agreement, including the DIP Facility; (ii) disclosed on Section 6.2 of the Sellers' Disclosure Schedule; (iii) approved by the Bankruptcy Court (or any other court or other Governmental Authority in connection with any other bankruptcy, insolvency or similar proceeding filed by or in respect of any Subsidiary of Parent); or (iv) required by or resulting from any changes to applicable Laws, from and after the date of this Agreement and until the earlier of the Closing and the termination of this Agreement, Sellers shall and shall cause each Purchased Subsidiary to (A) conduct their operations in the Ordinary Course of Business, (B) not take any action inconsistent with this Agreement or with the consummation of the Closing, (C) use reasonable best efforts to preserve in the Ordinary Course of Business and in all material respects the present relationships of Sellers and each of their Subsidiaries with their respective customers, suppliers and others having significant business dealings with them, (D) not take any action to cause any of Sellers' representations and warranties set forth in **ARTICLE IV** to be untrue in any material respect as of any such date when such representation or warranty is made or deemed to be made and (E) not take any action that would reasonably be expected to materially prevent or delay the Closing.

(b) Subject to the exceptions contained in clauses (i) through (iv) of **Section 6.2(a)**, each Seller agrees that, from and after the date of this Agreement and until the earlier of the Closing and the termination of this Agreement, without the prior written consent of Purchaser (which consent shall not be unreasonably withheld, conditioned or delayed), such Seller shall not, and shall not permit any of the Key Subsidiaries (and in the case of clauses (i), (ix), (xiii) or (xvi), shall not permit any Purchased Subsidiary) to:

(i) take any action with respect to which any Seller has granted approval rights to Sponsor under any Contract, including under the UST Credit Facilities, without obtaining the prior approval of such action from Sponsor;

(ii) issue, sell, pledge, create an Encumbrance or otherwise dispose of or authorize the issuance, sale, pledge, Encumbrance or disposition of any Equity Interests of the Transferred Entities, or grant any options, warrants or other rights to purchase or obtain (including upon conversion, exchange or exercise) any such Equity Interests;

(iii) declare, set aside or pay any dividend or make any distribution (whether in cash, securities or other property or by allocation of additional Indebtedness to any Seller or any Key Subsidiary without receipt of fair value with respect to any Equity Interest of Seller or any Key Subsidiary), except for dividends and distributions among the Purchased Subsidiaries;

(iv) directly or indirectly, purchase, redeem or otherwise acquire any Equity Interests or any rights to acquire any Equity Interests of any Seller or Key Subsidiary;

(v) materially change any of its financial accounting policies or procedures or any of its methods of reporting income, deductions or other material items for financial accounting purposes, except as permitted by GAAP, a SEC rule, regulation or policy or applicable Law, or as modified by Parent as a result of the filing of the Bankruptcy Cases;

(vi) adopt any amendments to its Organizational Documents or permit the adoption of any amendment of the Organizational Documents of any Key Subsidiary or effect a split, combination or reclassification or other adjustment of Equity Interests of any Purchased Subsidiary or a recapitalization thereof;

(vii) sell, pledge, lease, transfer, assign or dispose of any Purchased Asset or permit any Purchased Asset to become subject to any Encumbrance, other than a Permitted Encumbrance, in each case, except in the Ordinary Course of Business or pursuant to a Contract in existence as of the date hereof (or entered into in compliance with this **Section 6.2**);

(viii) (A) incur or assume any Indebtedness for borrowed money or issue any debt securities, except for Indebtedness for borrowed money incurred by Purchased Subsidiaries under existing lines of credit (including through the incurrence of Intercompany Obligations) to fund operations of Purchased Subsidiaries and Indebtedness for borrowed money incurred by Sellers under the DIP Facility or (B) assume, guarantee, endorse or otherwise become liable or responsible (whether directly, contingently or otherwise) for the obligations of any other Person, except for Indebtedness for borrowed money among any Seller and Subsidiary or among the Subsidiaries;

(ix) discharge or satisfy any Indebtedness in excess of $100,000,000 other than the discharge or satisfaction of any Indebtedness when due in accordance with its originally scheduled terms;

(x) other than as is required by the terms of a Parent Employee Benefit Plan and Policy (in effect on the date hereof and set forth on Section 4.10 of the Sellers' Disclosure Schedule), any Assumed Plan (in effect on the date hereof) the UAW Collective Bargaining Agreement or consistent with the expiration of a Collective Bargaining Agreement, the Settlement Agreement, the UAW Retiree Settlement Agreement or as may be required by applicable Law or TARP or under any enhanced restrictions on executive compensation agreed to by Sellers and Sponsor, (A) increase the compensation or benefits of any Employee of Sellers or any Purchased Subsidiary (except for increases in salary or wages in the Ordinary Course of Business with respect to Employees who are not current or former directors or officers of Sellers or Seller Key Personnel), (B) grant any severance or termination pay to any Employee of Sellers or any Purchased

Subsidiary except for severance or termination pay provided under any Parent Employee Benefit Plan and Policy or as the result of a settlement of any pending Claim or charge involving a Governmental Authority or litigation with respect to Employees who are not current or former officers or directors of Sellers or Seller Key Personnel), (C) establish, adopt, enter into, amend or terminate any Benefit Plan (including any change to any actuarial or other assumption used to calculate funding obligations with respect to any Benefit Plan or any change to the manner in which contributions to any Benefit Plan are made or the basis on which such contributions are determined), except where any such action would reduce Sellers' costs or Liabilities pursuant to such plan, (D) grant any awards under any Benefit Plan (including any equity or equity-based awards), (E) increase or promise to increase or provide for the funding under any Benefit Plan, (F) forgive any loans to Employees of Sellers or any Purchased Subsidiary (other than as part of a settlement of any pending Claim or charge involving a Governmental Authority or litigation in the Ordinary Course of Business or with respect to obligations of Employees whose employment is terminated by Sellers or a Purchased Subsidiary in the Ordinary Course of Business, other than Employees who are current or former officers or directors of Sellers or Seller Key Personnel or directors of Sellers or a Purchased Subsidiary) or (G) exercise any discretion to accelerate the time of payment or vesting of any compensation or benefits under any Benefit Plan;

(xi) modify, amend, terminate or waive any rights under any Affiliate Contract or Seller Material Contract (except for any dealer sales and service Contracts or as contemplated by **Section 6.7**) in any material respect in a manner that is adverse to any Seller that is a party thereto, other than in the Ordinary Course of Business;

(xii) enter into any Seller Material Contract other than as contemplated by **Section 6.7**;

(xiii) acquire (including by merger, consolidation, combination or acquisition of Equity Interests or assets) any Person or business or division thereof (other than acquisitions of portfolio assets and acquisitions in the Ordinary Course of Business) in a transaction (or series of related transactions) where the aggregate consideration paid or received (including non-cash equity consideration) exceeds $100,000,000;

(xiv) alter, whether through a complete or partial liquidation, dissolution, merger, consolidation, restructuring, reorganization or in any other manner, the legal structure or ownership of any Key Subsidiary, or adopt or approve a plan with respect to any of the foregoing;

(xv) enter into any Contract that limits or otherwise restricts or that would reasonably be expected to, after the Closing, restrict or limit in any material respect (A) Purchaser or any of its Subsidiaries or any successor thereto or (B) any Affiliates of Purchaser or any successor thereto, in the case of each of

clause (A) or (B), from engaging or competing in any line of business or in any geographic area;

(xvi) enter into any Contracts for capital expenditures, exceeding $100,000,000 in the aggregate in connection with any single project or group of related projects;

(xvii) open or reopen any major production facility; and

(xviii) agree, in writing or otherwise, to take any of the foregoing actions.

Section 6.3 Notices and Consents.

(a) Sellers shall and shall cause each of their Subsidiaries to, and Purchaser shall use reasonable best efforts to, promptly give all notices to, obtain all material consents, approvals or authorizations from, and file all notifications and related materials with, any third parties (including any Governmental Authority) that may be or become necessary to be given or obtained by Sellers or their Affiliates, or Purchaser, respectively, in connection with the transactions contemplated by this Agreement.

(b) Each of Purchaser and Parent shall, to the extent permitted by Law, promptly notify the other Party of any communication it or any of its Affiliates receives from any Governmental Authority relating to the transactions contemplated by this Agreement and permit the other Party to review in advance any proposed substantive communication by such Party to any Governmental Authority. Neither Purchaser nor Parent shall agree to participate in any material meeting with any Governmental Authority in respect of any significant filings, investigation (including any settlement of the investigation), litigation or other inquiry unless it consults with the other Party in advance and, to the extent permitted by such Governmental Authority, gives the other Party the opportunity to attend and participate at such meeting; provided, however, in the event either Party is prohibited by applicable Law or such Governmental Authority from participating in or attending any such meeting, then the Party who participates in such meeting shall keep the other Party apprised with respect thereto to the extent permitted by Law. To the extent permitted by Law, Purchaser and Parent shall coordinate and cooperate fully with each other in exchanging such information and providing such assistance as the other Party may reasonably request in connection with the foregoing, including, to the extent reasonably practicable, providing to the other Party in advance of submission, drafts of all material filings, submissions, correspondences or other written communications, providing the other Party with an opportunity to comment on the drafts, and, where practicable, incorporating such comments, if any, into the final documents. To the extent permitted by applicable Law, Purchaser and Parent shall provide each other with copies of all material correspondences, filings or written communications between them or any of their Representatives, on the one hand, and any Governmental Authority or members of its staff, on the other hand, with respect to this Agreement or the transactions contemplated by this Agreement.

(c) None of Purchaser, Parent or their respective Affiliates shall be required to pay any fees or other payments to any Governmental Authorities in order to obtain any authorization, consent, Order or approval (other than normal filing fees and administrative fees that are imposed by Law on Purchaser), and in the event that any fees in addition to normal filing fees imposed by Law may be required to obtain any such authorization, consent, Order or approval, such fees shall be for the account of Purchaser.

(d) Notwithstanding anything to the contrary contained herein, no Seller shall be required to make any expenditure or incur any Liability in connection with the requirements set forth in this **Section 6.3**.

Section 6.4 Sale Procedures; Bankruptcy Court Approval.

(a) This Agreement is subject to approval by the Bankruptcy Court and the consideration by Sellers and the Bankruptcy Court of higher or better competing Bids with respect to an Alternative Transaction. Nothing contained herein shall be construed to prohibit Sellers and their respective Affiliates and Representatives from soliciting, considering, negotiating, agreeing to, or otherwise taking action in furtherance of, any Alternative Transaction but only to the extent that Sellers determine in good faith that such actions are permitted or required by the Sale Procedures Order.

(b) On the Petition Date, Sellers filed with the Bankruptcy Court the Bankruptcy Cases under the Bankruptcy Code and a motion (and related notices and proposed Orders) (the "Sale Procedures and Sale Motion"), seeking entry of (i) the sale procedures order, in the form attached hereto as **Exhibit H** (the "Sale Procedures Order"), and (ii) the sale approval order, in the form attached hereto as **Exhibit I** (the "Sale Approval Order"). The Sale Approval Order shall declare that if there is an Agreed G Transaction, (A) this Agreement constitutes a "plan" of Parent and Purchaser solely for purposes of Sections 368 and 354 of the Tax Code and (B) the transactions with respect to Parent described herein, in combination with the subsequent liquidation of Sellers, are intended to constitute a reorganization of Parent pursuant to Section 368(a)(1)(G) of the Tax Code. To the extent reasonably practicable, Sellers shall consult with and provide Purchaser and the UAW a reasonable opportunity to review and comment on material motions, applications and supporting papers prepared by Sellers in connection with this Agreement prior to the filing or delivery thereof in the Bankruptcy Cases.

(c) Purchaser acknowledges that Sellers may receive bids ("Bids") from prospective purchasers (such prospective purchasers, the "Bidders") with respect to an Alternative Transaction, as provided in the Sale Procedures Order. All Bids (other than Bids submitted by Purchaser) shall be submitted with two copies of this Agreement marked to show changes requested by the Bidder.

(d) If Sellers receive any Bids, Sellers shall have the right to select, and seek final approval of the Bankruptcy Court for, the highest or otherwise best Bid or Bids from the Bidders (the "Superior Bid"), which will be determined in accordance with the Sale Procedure Order.

(e) Sellers shall use their reasonable best efforts to obtain entry of the Sale Approval Order on the Bankruptcy Court's docket as soon as practicable, and in no event no later than July 10, 2009.

(f) Sellers shall use reasonable best efforts to comply (or obtain an Order from the Bankruptcy Court waiving compliance) with all requirements under the Bankruptcy Code and the Federal Rules of Bankruptcy Procedure in connection with obtaining approval of the transactions contemplated by this Agreement, including serving on all required Persons in the Bankruptcy Cases (including all holders of Encumbrances and parties to the Purchased Contracts), a notice of the Sale Procedures and Sale Motion, the Sale Hearing and the objection deadline in accordance with Rules 2002, 6004, 6006 and 9014 of the Federal Rules of Bankruptcy Procedure (as modified by Orders of the Bankruptcy Court), the Sale Procedures Order or other Orders of the Bankruptcy Court, including General Order M-331 issued by the Bankruptcy Court, and any applicable local rules of the Bankruptcy Court.

(g) Sellers shall provide Purchaser with a reasonable opportunity to review and comment on all motions, applications and supporting papers prepared by Sellers in connection with this Agreement (including forms of Orders and of notices to interested parties) prior to the filing or delivery thereof in the Bankruptcy Cases. All motions, applications and supporting papers prepared by Sellers and relating to the approval of this Agreement (including forms of Orders and of notices to interested parties) to be filed or delivered on behalf of Sellers shall be reasonably acceptable in form and substance to Purchaser. Sellers shall provide written notice to Purchaser of all matters that are required to be served on Sellers' creditors pursuant to the Bankruptcy Code and the Federal Rules of Bankruptcy Procedure. In the event the Sale Procedures Order and the Sale Approval Order is appealed, Sellers shall use their reasonable best efforts to defend such appeal.

(h) Purchaser agrees, to the extent reasonably requested by Sellers, to cooperate with and assist Sellers in seeking entry of the Sale Procedures Order and the Sale Approval Order by the Bankruptcy Court, including attending all hearings on the Sale Procedures and Sale Motion.

Section 6.5 Supplements to Purchased Assets. Purchaser shall, from the date hereof until the Executory Contract Designation Deadline, have the right to designate in writing additional Personal Property it wishes to designate as Purchased Assets if such Personal Property is located at a parcel of leased real property where the underlying lease has been designated as a Rejectable Executory Contract pursuant to **Section 6.6** following the Closing.

Section 6.6 Assumption or Rejection of Contracts.

(a) The Assumable Executory Contract Schedule sets forth a list of Executory Contracts entered into by Sellers that Sellers may assume and assign to Purchaser in accordance with this **Section 6.6(a)** (each, an "Assumable Executory Contract"). Any Contract identified on Section 6.6(a)(i) of the Sellers' Disclosure Schedule and Section 6.6(a)(ii) of the Sellers' Disclosure Schedule shall automatically be designated as an

Assumable Executory Contract and deemed to be set forth on the Assumable Executory Contract Schedule. Purchaser may, until the Executory Contract Designation Deadline, designate in writing any additional Executory Contract it wishes to designate as an Assumable Executory Contract and include on the Assumable Executory Contract Schedule, or any Assumable Executory Contract it no longer wishes to designate as an Assumable Executory Contract and remove from the Assumable Executory Contract Schedule; provided, however, that (i) Purchaser may not designate as an Assumable Executory Contract any (A) Rejectable Executory Contract, unless Sellers have consented to such designation in writing or (B) Contract that has previously been rejected by Sellers pursuant to Section 365 of the Bankruptcy Code, and (ii) Purchaser may not remove from the Assumable Executory Contract Schedule (v) the UAW Collective Bargaining Agreement, (w) any Contract identified on Section 6.6(a)(i) of the Sellers' Disclosure Schedule or Section 6.6(a)(ii) of the Sellers' Disclosure Schedule, (x) any Contract that has been previously assumed by Sellers pursuant to Section 365 of the Bankruptcy Code, (y) any Deferred Termination Agreement (or the related Discontinued Brand Dealer Agreement or Continuing Brand Dealer Agreement) or (z) any Participation Agreement (or the related Continuing Brand Dealer Agreement). Except as otherwise provided above, for each Assumable Executory Contract, Purchaser must determine, prior to the Executory Contract Designation Deadline, the date on which it seeks to have the assumption and assignment become effective, which date may be the Closing Date or a later date (but not an earlier date). The term "Executory Contract Designation Deadline" shall mean the date that is thirty (30) calendar days following the Closing Date, or if such date is not a Business Day, the next Business Day, or if mutually agreed upon by the Parties, any later date up to and including the Business Day immediately prior to the date of the confirmation hearing for Sellers' plan of liquidation or reorganization. For the avoidance of doubt, the Executory Contract Designation Deadline may be extended by mutual agreement of the Parties with respect to any single unassumed and unassigned Executory Contract, groups of unassumed and unassigned Executory Contracts or all of the unassumed and unassigned Executory Contracts.

(b) Sellers may, until the Closing, provide written notice (a "Notice of Intent to Reject") to Purchaser of Sellers' intent to designate any Executory Contract (that has not been designated as an Assumable Executory Contract) as a Rejectable Executory Contract (each a "Proposed Rejectable Executory Contract"). Following receipt of a Notice of Intent to Reject, Purchaser shall as soon as reasonably practicable, but in no event later than fifteen (15) calendar days following receipt of a Notice of Intent to Reject (the "Option Period"), provide Sellers written notice of Purchaser's designation of one or more Proposed Rejectable Executory Contracts identified in such Notice of Intent to Reject as an Assumable Executory Contract. Each Proposed Rejectable Executory Contract that has not been designated by Purchaser as an Assumable Executory Contract during the applicable Option Period shall automatically, without further action by Sellers, be designated as a Rejectable Executory Contract. A "Rejectable Executory Contract" is an Executory Contract that Sellers may, but are not obligated to, reject pursuant Section 365 of the Bankruptcy Code.

(c) Immediately following the Closing, each Executory Contract entered into by Sellers and then in existence that has not previously been designated as an Assumable

Executory Contract, a Rejectable Executory Contract or a Proposed Rejectable Executory Contract, and that has not otherwise been assumed or rejected by Sellers pursuant to Section 365 of the Bankruptcy Code, shall be deemed to be an Executory Contract subject to subsequent designation by Purchaser as an Assumable Executory Contract or a Rejectable Executory Contract (each a "Deferred Executory Contract").

(d) All Assumable Executory Contracts shall be assumed and assigned to Purchaser on the date (the "Assumption Effective Date") that is the later of (i) the date designated by the Purchaser and (ii) the date following expiration of the objection deadline if no objection, other than to the Cure Amount, has been timely filed or the date of resolution of any objection unrelated to Cure Amount, as provided in the Sale Procedures Order; provided, however, that in the case of each (A) Assumable Executory Contract identified on Section 6.6(a)(i) of the Sellers' Disclosure Schedule, (2) Deferred Termination Agreement (and the related Discontinued Brand Dealer Agreement or Continuing Brand Dealer Agreement) designated as an Assumable Executory Contract and (3) Participation Agreement (and the related Continuing Brand Dealer Agreement) designated as an Assumable Executory Contract, the Assumption Effective Date shall be the Closing Date and (B) Assumable Executory Contract identified on Section 6.6(a)(ii) of the Sellers' Disclosure Schedule, the Assumption Effective Date shall be a date that is no later than the date set forth with respect to such Executory Contract on Section 6.6(a)(ii) of the Sellers' Disclosure Schedule. On the Assumption Effective Date for any Assumable Executory Contract, such Assumable Executory Contract shall be deemed to be a Purchased Contract hereunder. If it is determined under the procedures set forth in the Sale Procedures Order that Sellers may not assume and assign to Purchaser any Assumable Executory Contract, such Executory Contract shall cease to be an Assumable Executory Contract and shall be an Excluded Contract and a Rejectable Executory Contract. Except as provided in **Section 6.31**, notwithstanding anything else to the contrary herein, any Executory Contract that has not been specifically designated as an Assumable Executory Contract as of the Executory Contract Designation Deadline applicable to such Executory Contract, including any Deferred Executory Contract, shall automatically be deemed to be a Rejectable Executory Contract and an Excluded Contract hereunder. Sellers shall have the right, but not the obligation, to reject, at any time, any Rejectable Executory Contract; provided, however, that Sellers shall not reject any Contract that affects both Owned Real Property and Excluded Real Property (whether designated on **Exhibit F** or now or hereafter designated on Section 2.2(b)(v) of the Sellers' Disclosure Schedule), including any such Executory Contract that involves the provision of water, water treatment, electric, fuel, gas, telephone and other utilities to any facilities located at the Excluded Real Property, whether designated on **Exhibit F** or now or hereafter designated on Section 2.2(b)(v) of the Sellers' Disclosure Schedule (the "Shared Executory Contracts"), without the prior written consent of Purchaser.

(e) From and after the Closing and during the applicable period specified below, Purchaser shall be obligated to pay or cause to be paid all amounts due in respect of Sellers' performance (i) under each Proposed Rejectable Executory Contract, during the pendency of the applicable Option Period under such Proposed Rejectable Executory Contract, (ii) under each Deferred Executory Contract, for so long as such Contract remains a Deferred Executory Contract, (iii) under each Assumable Executory Contract,

as long as such Contract remains an Assumable Executory Contract and (iv) under each GM Assumed Contract, until the applicable Assumption Effective Date. At and after the Closing and until such time as any Shared Executory Contract is either (y) rejected by Sellers pursuant to the provision set forth in this **Section 6.6** or (z) assumed by Sellers and subsequently modified with Purchaser's consent so as to no longer be applicable to the affected Owned Real Property, Purchaser shall reimburse Sellers as and when requested by Sellers for Purchasers' and its Affiliates' allocable share of all costs and expenses incurred under such Shared Executory Contract.

(f) Sellers and Purchaser shall comply with the procedures set forth in the Sale Procedures Order with respect to the assumption and assignment or rejection of any Executory Contract pursuant to, and in accordance with, this **Section 6.6**.

(g) No designation of any Executory Contract for assumption and assignment or rejection in accordance with this **Section 6.6** shall give rise to any right to any adjustment to the Purchase Price.

(h) Without limiting the foregoing, if, following the Executory Contract Designation Deadline, Sellers or Purchaser identify an Executory Contract that has not previously been identified as a Contract for assumption and assignment, and such Contract is important to Purchaser's ability to use or hold the Purchased Assets or operate its businesses in connection therewith, Sellers will assume and assign such Contract and assign it to Purchaser without any adjustment to the Purchase Price; provided that Purchaser consents and agrees at such time to (i) assume such Executory Contract and (ii) and discharge all Cure Amounts in respect hereof.

Section 6.7 Deferred Termination Agreements; Participation Agreements.

(a) Sellers shall, and shall cause their Affiliates to, use reasonable best efforts to enter into short-term deferred voluntary termination agreements in substantially the form attached hereto as **Exhibit J-1** (in respect of all Saturn Discontinued Brand Dealer Agreements), **Exhibit J-2** (in respect of all Hummer Discontinued Brand Dealer Agreements) and **Exhibit J-3** (in respect of all non-Saturn and non-Hummer Discontinued Brand Dealer Agreements and all Excluded Continuing Brand Dealer Agreements) that will, when executed by the relevant dealer counterparty thereto, modify the respective Discontinued Brand Dealer Agreements and selected Continuing Brand Dealer Agreements (collectively, the "Deferred Termination Agreements"). For the avoidance of doubt, (i) each Deferred Termination Agreement, and the related Discontinued Brand Dealer Agreement or Continuing Brand Dealer Agreement modified thereby, will automatically be an Assumable Executory Contract hereunder upon valid execution of such Deferred Termination Agreement by the parties thereto and (ii) all Discontinued Brand Dealer Agreements that are not modified by a Deferred Termination Agreement, and all Continuing Brand Dealer Agreements that are not modified by either a Deferred Termination Agreement or a Participation Agreement, will automatically be a Rejectable Executory Contract hereunder.

(b) Sellers shall, and shall cause their Affiliates to, use reasonable best efforts to enter into agreements, substantially in the form attached hereto as **Exhibit K** that will modify all Continuing Brand Dealer Agreements (other than the Continuing Brand Dealer Agreements that are proposed to be modified by Deferred Termination Agreements) (the "Participation Agreements"). For the avoidance of doubt, (i) all Participation Agreements, and the related Continuing Brand Dealer Agreements, will automatically be Assumable Executory Contracts hereunder upon valid execution of such Participation Agreement and (ii) all Continuing Brand Dealer Agreements that are proposed to be modified by a Participation Agreement and are not modified by a Participation Agreement will be offered Deferred Termination Agreements pursuant to **Section 6.7(a)**.

Section 6.8 [Reserved]

Section 6.9 Purchaser Assumed Debt; Wind Down Facility.

(a) Purchaser shall use reasonable best efforts to agree with Sponsor on the terms of a restructuring of the Purchaser Assumed Debt so as to be assumed by Purchaser immediately prior to the Closing. Purchaser shall use reasonable best efforts to enter into definitive financing agreements with respect to the Purchaser Assumed Debt so that such agreements are in effect as promptly as practicable but in any event no later than the Closing.

(b) Sellers shall use reasonable best efforts to agree with Sponsor on the terms of a restructuring of $950,000,000 of Indebtedness accrued under the DIP Facility (as restructured, the "Wind Down Facility") to provide for such Wind Down Facility to be non-recourse, to accrue payment-in-kind interest at LIBOR plus 300 basis points, to be secured by all assets of Sellers (other than the Parent Shares, Adjustment Shares, Parent Warrants and any securities received in respect thereof), and to be subject to mandatory repayment from the proceeds of asset sales (other than the sale of Parent Shares, Adjustment Shares, Parent Warrants and any securities received in respect thereof). Sellers shall use reasonable best efforts to enter into definitive financing agreements with respect to the Wind Down Facility so that such agreements are in effect as promptly as practicable but in any event no later than the Closing.

Section 6.10 Litigation and Other Assistance. In the event and for so long as any Party is actively contesting or defending against any action, investigation, charge, Claim or demand by a third party in connection with any transaction contemplated by this Agreement, the other Parties shall reasonably cooperate with the contesting or defending Party and its counsel in such contest or defense, make available its personnel and provide such testimony and access to its books, records and other materials as shall be reasonably necessary in connection with the contest or defense, all at the sole cost and expense of the contesting or defending Party; provided, however, that no Party shall be required to provide the contesting or defending party with any access to its books, records or materials if such access would violate the attorney-client privilege or conflict with any confidentiality obligations to which the non-contesting or defending Party is subject. In addition, the Parties agree to cooperate in connection with the making or filing of claims, requests for information, document retrieval and other activities in connection with any

and all Claims made under insurance policies specified on Section 2.2(b)(xiii) of the Sellers' Disclosure Schedule to the extent any such Claim relates to any Purchased Asset or Assumed Liability. For the avoidance of doubt, this **Section 6.10** shall not apply to any action, investigation, charge, Claim or demand by any of Sellers or their Affiliates, on the one hand, or Purchaser or any of its Affiliates, on the other hand.

Section 6.11 Further Assurances.

(a) Upon the terms and subject to the conditions set forth in this Agreement, each of the Parties shall use their reasonable best efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all actions necessary, proper or advisable to consummate and make effective as promptly as practicable, the transactions contemplated by this Agreement in accordance with the terms hereof and to bring about the satisfaction of all other conditions to the other Parties' obligations hereunder; provided, however, that nothing in this Agreement shall obligate Sellers or Purchaser, or any of their respective Affiliates, to waive or modify any of the terms and conditions of this Agreement or any documents contemplated hereby, except as expressly set forth herein. The Parties acknowledge that Sponsor's acquisition of interest is a sovereign act and that no filings should be made by Sponsor or Purchaser in non-United States jurisdictions.

(b) The Parties shall negotiate the forms, terms and conditions of the Ancillary Agreements, to the extent the forms thereof are not attached to this Agreement, on the basis of the respective term sheets attached to this Agreement, in good faith, with such Ancillary Agreements to set forth terms on an Arms-Length Basis and incorporate usual and customary provisions for similar agreements.

(c) Until the Closing, Sellers shall maintain a team of appropriate personnel (each such team, a "Transition Team") to assist Purchaser and its Representatives in connection with Purchaser's efforts to complete prior to the Closing the activities described below. Sellers shall use their reasonable best efforts to cause the Transition Team to (A) meet with Purchaser and its Representatives on a regular basis at such times as Purchaser may reasonably request and (B) take such action and provide such information, including background and summary information, as Purchaser and its Representatives may reasonably request in connection with the following activities:

(i) evaluation and identification of all Contracts that Purchaser may elect to designate as Purchased Contracts or Excluded Contracts, consistent with its rights under this Agreement;

(ii) evaluation and identification of all assets and entities that Purchaser may elect to designate as Purchased Assets or Excluded Assets, consistent with its rights under this Agreement;

(iii) maintaining and obtaining necessary governmental consents, permits, authorizations, licenses and financial assurance for operation of the business by Purchaser following the Closing;

(iv) obtaining necessary third party consents for operation of the business by Purchaser following the Closing;

(v) implementing the optimal structure for Purchaser and its subsidiaries to acquire and hold the Purchased Assets and operate the business following the Closing;

(vi) implementing the assumption of all Assumed Plans and otherwise satisfying the obligations of Purchaser as provided in **Section 6.17** with respect to Employment Related Obligations; and

(vii) such other transition matters as Purchaser may reasonably determine are necessary for Purchaser to fulfill its obligations and exercise its rights under this Agreement.

Section 6.12 Notifications.

(a) Sellers shall give written notice to Purchaser as soon as practicable upon becoming aware of any event, circumstance, condition, fact, effect or other matter that resulted in, or that would reasonably be likely to result in (i) any representation or warranty set forth in **ARTICLE IV** being or becoming untrue or inaccurate in any material respect as of any date on or after the date hereof (as if then made, except to the extent such representation or warranty is expressly made only as of a specific date, in which case, as of such date), (ii) the failure by Sellers to comply with or satisfy in any material respect any covenant, condition or agreement to be complied with or satisfied by Sellers under this Agreement or (iii) a condition to the Closing set forth in **Section 7.1** or **Section 7.2** becoming incapable of being satisfied; provided, however, that no such notification shall affect or cure a breach of any of Sellers' representations or warranties, a failure to perform any of the covenants or agreements of Sellers or a failure to have satisfied the conditions to the obligations of Sellers under this Agreement. Such notice shall be in form of a certificate signed by an executive officer of Parent setting forth the details of such event and the action which Parent proposes to take with respect thereto.

(b) Purchaser shall give written notice to Sellers as soon as practicable upon becoming aware of any event, circumstance, condition, fact, effect or other matter that resulted in, or that would reasonably be likely to result in (i) any representation or warranty set forth in **ARTICLE V** being or becoming untrue or inaccurate in any material respect with respect to Purchaser as of any date on or after the date hereof (as if then made, except to the extent such representation or warranty is expressly made only as of a specific date, in which case as of such date), (ii) the failure by Purchaser to comply with or satisfy in any material respect any covenant, condition or agreement to be complied with or satisfied by Purchaser under this Agreement or (iii) a condition to the Closing set forth in **Section 7.1** or **Section 7.3** becoming incapable of being satisfied; provided, however, that no such notification shall affect or cure a breach of any of Purchaser's representations or warranties, a failure to perform any of the covenants or agreements of Purchaser or a failure to have satisfied the conditions to the obligations of Purchaser under this Agreement. Such notice shall be in a form of a certificate signed by

an executive officer of Purchaser setting forth the details of such event and the action which Purchaser proposes to take with respect thereto.

Section 6.13 Actions by Affiliates. Each of Purchaser and Sellers shall cause their respective controlled Affiliates, and shall use their reasonable best efforts to ensure that each of their respective other Affiliates (other than Sponsor in the case of Purchaser) takes all actions reasonably necessary to be taken by such Affiliate in order to fulfill the obligations of Purchaser or Sellers, as the case may be, under this Agreement.

Section 6.14 Compliance Remediation. Except with respect to the Excluded Assets or Retained Liabilities, prior to the Closing, Sellers shall use reasonable best efforts to, and shall use reasonable best efforts to cause their Subsidiaries to use their reasonable best efforts to, cure in all material respects any instances of non-compliance with Laws or Orders, failures to possess or maintain Permits or defaults under Permits.

Section 6.15 Product Certification, Recall and Warranty Claims.

(a) From and after the Closing, Purchaser shall comply with the certification, reporting and recall requirements of the National Traffic and Motor Vehicle Safety Act, the Transportation Recall Enhancement, Accountability and Documentation Act, the Clean Air Act, the California Health and Safety Code and similar Laws, in each case, to the extent applicable in respect of vehicles and vehicle parts manufactured or distributed by Seller.

(b) From and after the Closing, Purchaser shall be responsible for the administration, management and payment of all Liabilities arising under (i) express written warranties of Sellers that are specifically identified as warranties and delivered in connection with the sale of new, certified used or pre-owned vehicles or new or remanufactured motor vehicle parts and equipment (including service parts, accessories, engines and transmissions) manufactured or sold by Sellers or Purchaser prior to or after the Closing and (ii) Lemon Laws. In connection with the foregoing clause (ii), (A) Purchaser shall continue to address Lemon Law Claims using the same procedural mechanisms previously utilized by the applicable Sellers and (B) for avoidance of doubt, Purchaser shall not assume Liabilities arising under the law of implied warranty or other analogous provisions of state Law, other than Lemon Laws, that provide consumer remedies in addition to or different from those specified in Sellers' express warranties.

(c) For the avoidance of doubt, Liabilities of the Transferred Entities arising from or in connection with products manufactured or sold by the Transferred Entities remain the responsibility of the Transferred Entities and shall be neither Assumed Liabilities nor Retained Liabilities for the purposes of this Agreement.

Section 6.16 Tax Matters; Cooperation.

(a) Prior to the Closing Date, Sellers shall prepare and timely file (or cause to be prepared and timely filed) all Tax Returns required to be filed prior to such date (taking into account any extension of time to file granted or obtained) that relate to Sellers, the Purchased Subsidiaries and the Purchased Assets in a manner consistent with

past practices (except as otherwise required by Law), and shall provide Purchaser prompt opportunity for review and comment and shall obtain Purchaser's written approval prior to filing any such Tax Returns. After the Closing Date, at Purchaser's election, Purchaser shall prepare, and the applicable Seller, Seller Subsidiary or Seller Group member shall timely file, any Tax Return relating to any Seller, Seller Subsidiary or Seller Group member for any Pre-Closing Tax Period or Straddle Period due after the Closing Date or other taxable period of any entity that includes the Closing Date, subject to the right of the applicable Seller to review any such material Tax Return. Purchaser shall prepare and file all other Tax Returns required to be filed after the Closing Date in respect of the Purchased Assets. Sellers shall prepare and file all other Tax Returns relating to the Post-Closing Tax Period of Sellers, subject to the prior review and approval of Purchaser, which approval may be withheld, conditioned or delayed with good reason. No Seller or Seller Group member shall be entitled to any payment or other consideration in addition to the Purchase Price with respect to the acquisition or use of any Tax items or attributes by Purchaser, any Purchased Subsidiary or Affiliates thereof. At Purchaser's request, any Seller or Seller Group member shall designate Purchaser or any of its Affiliates as a substitute agent for the Seller Group for Tax purposes. Purchaser shall be entitled to make all determinations, including the right to make or cause to be made any elections with respect to Taxes and Tax Returns of Sellers, Seller Subsidiaries, Seller Groups and Seller Group members with respect to Pre-Closing Tax Periods and Straddle Periods and with respect to the Tax consequences of the Relevant Transactions (including the treatment of such transactions as an Agreed G Transaction) and the other transactions contemplated by this Agreement, including (i) the "date of distribution or transfer" for purposes of Section 381(b) of the Tax Code, if applicable; (ii) the relevant Tax periods and members of the Seller Group and the Purchaser and its Affiliates; (iii) whether the Purchaser and/or any of its Affiliates shall be treated as a continuation of Seller Group; and (iv) any other determinations required under Section 381 of the Tax Code. Purchaser shall have the sole right to represent the interests, as applicable, of any Seller, Seller Group member or Purchased Subsidiary in any Tax proceeding in connection with any Tax Liability or any Tax item for any Pre-Closing Tax Period, Straddle Period or other Tax period affecting any such earlier Tax period. After the Closing, Purchaser shall have the right to assume control of any PLR or CA request filed by Sellers or any Affiliate thereof, including the right to represent Sellers and their Affiliates and to direct all professionals acting on their behalf in connection with such request, and no settlement, concession, compromise, commitment or other agreements in respect of such PLR or CA request shall be made without Purchaser's prior written consent.

(b) All Taxes required to be paid by any Seller or Seller Group member for any Pre-Closing Tax Period or any Straddle Period shall be timely paid. To the extent a Party hereto is liable for a Tax pursuant to this Agreement and such Tax is paid or payable by another Party or such other Party's Affiliates, the Party liable for such Tax shall make payment in the amount of such Tax to the other Party no later than three (3) days prior to the due date for payment of such Tax, unless a later time for payment is agreed to in writing by such other Party. To the extent that any Seller or Seller Group member receives or realizes the benefit of any Tax refund, abatement or credit that is a Purchased Asset, such Seller or Seller Group member receiving the benefit shall transfer

an amount equal to such refund, abatement or credit to Purchaser within fourteen (14) days of receipt or realization of the benefit.

(c) Purchaser and Sellers shall provide each other with such assistance and non-privileged information relating to the Purchased Assets as may reasonably be requested in connection with any Tax matter, including the matters contemplated by this **Section 6.16**, the preparation of any Tax Return or the performance of any audit, examination or other proceeding by any Taxing Authority, whether conducted in a judicial or administrative forum. Purchaser and Sellers shall retain and provide to each other all non-privileged records and other information reasonably requested by the other and that may be relevant to any such Tax Return, audit, examination or other proceeding.

(d) After the Closing, at Purchaser's election, Purchaser shall exercise exclusive control over the handling, disposition and settlement of any inquiry, examination or proceeding (including an audit) by a Governmental Authority (or that portion of any inquiry, examination or proceeding by a Governmental Authority) with respect to Sellers, any Subsidiary of Sellers or any Seller Group, provided that to the extent any such inquiry, examination or proceeding by a Governmental Authority could materially affect the Taxes due or payable by Sellers, Purchaser shall control the handling, disposition and settlement thereof, subject to reasonable consultation rights of Sellers. Each Party shall notify the other Party (or Parties) in writing promptly upon learning of any such inquiry, examination or proceeding. The Parties and their Affiliates shall cooperate with each other in any such inquiry, examination or proceeding as a Party may reasonably request. Neither Parent nor any of its Affiliates shall extend, without Purchaser's prior written consent, the statute of limitations for any Tax for which Purchaser or any of its Affiliates may be liable.

(e) Notwithstanding anything contained herein, Purchaser shall prepare and Sellers shall timely file all Tax Returns required to be filed in connection with the payment of Transfer Taxes.

(f) From the date of this Agreement to and including the Closing Date, except to the extent relating solely to an Excluded Asset or Retained Liability, no Seller, Seller Group member or Purchased Subsidiary shall, without the prior written consent of Purchaser (which consent shall not be unreasonably withheld, conditioned or delayed, and shall not be withheld if not resulting in any Tax impact on Purchaser or any Purchased Asset), (i) make, change, or terminate any material election with respect to Taxes (including elections with respect to the use of Tax accounting methods) of any Seller, Seller Group member or Purchased Subsidiary or any material joint venture to which any Seller or Purchased Subsidiary is a party, (ii) settle or compromise any Claim or assessment for Taxes (including refunds) that could be reasonably expected to result in any adverse consequence on Purchaser or any Purchased Asset following the Closing Date, (iii) agree to an extension of the statute of limitations with respect to the assessment or collection of the Taxes of any Seller, Seller Group member or Purchased Subsidiary or any material joint venture of which any Seller or Purchased Subsidiary is a party or (iv) make or surrender any Claim for a refund of a material amount of the Taxes of any of

Sellers or Purchased Subsidiaries or file an amended Tax Return with respect to a material amount of Taxes.

(g)

(i) Purchaser shall treat the transactions with respect to Parent described herein, in combination with the subsequent liquidation of Sellers (such transactions, collectively, the "Relevant Transactions"), as a reorganization pursuant to Section 368(a)(1)(G) of the Tax Code with any actual or deemed distribution by Parent qualifying solely under Sections 354 and 356 of the Tax Code but not under Section 355 of the Tax Code (a "G Transaction") if (x) the IRS issues a private letter ruling ("PLR") or executes a closing agreement ("CA"), in each case reasonably acceptable to Purchaser, confirming that the Relevant Transactions shall qualify as a G Transaction for U.S. federal income Tax purposes, or (y) Purchaser determines to treat the Relevant Transactions as so qualifying (clause (x) or (y), an "Agreed G Transaction"). In connection with the foregoing, Sellers shall use their reasonable best efforts to obtain a PLR or execute a CA with respect to the Relevant Transactions at least seven (7) days prior to the Closing Date. At least three (3) days prior to the Closing Date, Purchaser shall advise Parent in writing as to whether Purchaser has made a determination regarding the treatment of the Relevant Transactions for U.S. federal income Tax purposes and, if applicable, the outcome of any such determination.

(ii) On or prior to the Closing Date, Sellers shall deliver to Purchaser all information in the possession of Sellers and their Affiliates that is reasonably related to the determination of whether the Relevant Transactions constitute an Agreed G Transaction ("Relevant Information"), and, after the Closing, Sellers shall promptly provide to Purchaser any newly produced or obtained Relevant Information. For the avoidance of doubt, the Parties shall cooperate in taking any actions and providing any information that Purchaser determines is necessary or appropriate in furtherance of the intended U.S. federal income Tax treatment of the Relevant Transactions and the other transactions contemplated by this Agreement.

(iii) If Purchaser has not determined as of the Closing Date whether to treat the Relevant Transactions as an Agreed G Transaction, Purchaser shall make such determination in accordance with this **Section 6.16** prior to the due date (including validly obtained extensions) for filing the corporate income Tax Return for Parent's U.S. affiliated group (as defined in Section 1504 of the Tax Code) for the taxable year in which the Closing Date occurs, and shall convey such decision in writing to Parent, which decision shall be binding on Parent.

(iv) If the Relevant Transactions constitute an Agreed G Transaction under this **Section 6.16**: (A) Sellers shall use their reasonable best efforts, and Purchaser shall use reasonable best efforts to assist Sellers, to effectuate such treatment and the Parties shall not take any action or position inconsistent with, or

fail to take any necessary action in furtherance of, such treatment (subject to **Section 6.16(g)(vi)**); (B) the Parties agree that this Agreement shall constitute a "plan" of Parent and Purchaser for purposes of Sections 368 and 354 of the Tax Code; (C) the board of directors of Parent and Purchaser shall, by resolution, approve the execution of this Agreement and expressly recognize its treatment as a "plan" of Parent and Purchaser for purposes of Sections 368 and 354 of the Tax Code, and the treatment of the Relevant Transactions as a G Transaction for federal income Tax purposes; (D) Sellers shall provide Purchaser with a statement setting forth the adjusted Tax basis of the Purchased Assets and the amount of net operating losses and other material Tax attributes of Sellers and any Purchased Subsidiary that are available as of the Closing Date and after the close of any taxable year of any Seller or Seller Group member that impacts the numbers previously provided, all based on the best information available, but with no Liability for any errors or omissions in information; and (E) Sellers shall provide Purchaser with an estimate of the cancellation of Indebtedness income that Sellers and any Seller Group member anticipate realizing for the taxable year that includes the Closing Date, and shall provide revised numbers after the close of any taxable year of any Seller or Seller Group member that impacts this number.

(v) If the Relevant Transactions do not constitute an Agreed G Transaction under this **Section 6.16**, the Parties hereby agree, and Sellers hereby consent, to treat the sale of the Purchased Assets by Parent as a taxable asset sale for all Tax purposes, to make any elections pursuant to Section 338 of the Tax Code requested by Purchaser, and to report consistently herewith for purposes of **Section 3.3**. In addition, the Parties hereby agree, and Sellers hereby consent, to treat the sales of the Purchased Assets by S Distribution and Harlem as taxable asset sales for all Tax purposes, to make any elections pursuant to Section 338 of the Tax Code requested by Purchaser, and to report consistently herewith for purposes of **Section 3.3**.

(vi) No Party shall take any position with respect to the Relevant Transactions that is inconsistent with the position determined in accordance with this **Section 6.16**, unless, and then only to the extent, otherwise required to do so by a Final Determination.

(vii) Each Seller shall liquidate, as determined for U.S. federal income Tax purposes and to the satisfaction of Purchaser, no later than December 31, 2011, and each such liquidation may include a distribution of assets to a "liquidating trust" within the meaning of Treas. Reg. § 301.7701-4, the terms of which shall be satisfactory to Purchaser.

(viii) Effective no later than the Closing Date, Purchaser shall be treated as a corporation for federal income Tax purposes.

Section 6.17 Employees; Benefit Plans; Labor Matters.

(a) *Transferred Employees*. Effective as of the Closing Date, Purchaser or one of its Affiliates shall make an offer of employment to each Applicable Employee. Notwithstanding anything herein to the contrary and except as provided in an individual employment Contract with any Applicable Employee or as required by the terms of an Assumed Plan, offers of employment to Applicable Employees whose employment rights are subject to the UAW Collective Bargaining Agreement as of the Closing Date, shall be made in accordance with the applicable terms and conditions of the UAW Collective Bargaining Agreement and Purchaser's obligations under the Labor Management Relations Act of 1974, as amended. Each offer of employment to an Applicable Employee who is not covered by the UAW Collective Bargaining Agreement shall provide, until at least the first anniversary of the Closing Date, for (i) base salary or hourly wage rates initially at least equal to such Applicable Employee's base salary or hourly wage rate in effect as of immediately prior to the Closing Date and (ii) employee pension and welfare benefits, Contracts and arrangements that are not less favorable in the aggregate than those listed on Section 4.10 of the Sellers' Disclosure Schedule, but not including any Retained Plan, equity or equity-based compensation plans or any Benefit Plan that does not comply in all respects with TARP. For the avoidance of doubt, each Applicable Employee on layoff status, leave status or with recall rights as of the Closing Date, shall continue in such status and/or retain such rights after Closing in the Ordinary Course of Business. Each Applicable Employee who accepts employment with Purchaser or one of its Affiliates and commences working for Purchaser or one of its Affiliates shall become a "Transferred Employee." To the extent such offer of employment by Purchaser or its Affiliates is not accepted, Sellers shall, as soon as practicable following the Closing Date, terminate the employment of all such Applicable Employees. Nothing in this **Section 6.17(a)** shall prohibit Purchaser or any of its Affiliates from terminating the employment of any Transferred Employee after the Closing Date, subject to the terms and conditions of the UAW Collective Bargaining Agreement. It is understood that the intent of this **Section 6.17(a)** is to provide a seamless transition from Sellers to Purchaser of any Applicable Employee subject to the UAW Collective Bargaining Agreement. Except for Applicable Employees with non-standard individual agreements providing for severance benefits, until at least the first anniversary of the Closing Date, Purchaser further agrees and acknowledges that it shall provide to each Transferred Employee who is not covered by the UAW Collective Bargaining Agreement and whose employment is involuntarily terminated by Purchaser or its Affiliates on or prior to the first anniversary of the Closing Date, severance benefits that are not less favorable than the severance benefits such Transferred Employee would have received under the applicable Benefit Plans listed on Section 4.10 of the Sellers' Disclosure Schedule. Purchaser or one of its Affiliates shall take all actions necessary such that Transferred Employees shall be credited for their actual and credited service with Sellers and each of their respective Affiliates, for purposes of eligibility, vesting and benefit accrual (except in the case of a defined benefit pension plan sponsored by Purchaser or any of its Affiliates in which Transferred Employees may commence participation after the Closing that is not an Assumed Plan), in any employee benefit plans (excluding equity compensation plans or programs) covering Transferred Employees after the Closing to the same extent as such Transferred Employee was

entitled as of immediately prior to the Closing Date to credit for such service under any similar employee benefit plans, programs or arrangements of any of Sellers or any Affiliate of Sellers; provided, however, that such crediting of service shall not operate to duplicate any benefit to any such Transferred Employee or the funding for any such benefit. Such benefits shall not be subject to any exclusion for any pre-existing conditions to the extent such conditions were satisfied by such Transferred Employees under a Parent Employee Benefit Plan as of the Closing Date, and credit shall be provided for any deductible or out-of-pocket amounts paid by such Transferred Employee during the plan year in which the Closing Date occurs.

(b) *Employees of Purchased Subsidiaries*. As of the Closing Date, those employees of Purchased Subsidiaries who participate in the Assumed Plans, may, subject to the applicable Collective Bargaining Agreement, for all purposes continue to participate in such Assumed Plans, in accordance with their terms in effect from time to time. For the avoidance of any doubt, Purchaser shall continue the employment of any current Employee of any Purchased Subsidiary covered by the UAW Collective Bargaining Agreement on the terms and conditions of the UAW Collective Bargaining Agreement in effect immediately prior to the Closing Date, subject to its terms; provided, however, that nothing in this Agreement shall be construed to terminate the coverage of any UAW-represented Employee in an Assumed Plan if such Employee was a participant in the Assumed Plan immediately prior to the Closing Date. Further provided, that nothing in this Agreement shall create a direct employment relationship between Parent or Purchaser and an Employee of a Purchased Subsidiary or an Affiliate of Parent.

(c) *No Third Party Beneficiaries*. Nothing contained herein, express or implied, (i) is intended to confer or shall confer upon any Employee or Transferred Employee any right to employment or continued employment for any period of time by reason of this Agreement, or any right to a particular term or condition of employment, (ii) except as set forth in **Section 9.11**, is intended to confer or shall confer upon any individual or any legal Representative of any individual (including employees, retirees, or dependents or beneficiaries of employees or retirees and including collective bargaining agents or representatives) any right as a third-party beneficiary of this Agreement or (iii) shall be deemed to confer upon any such individual or legal Representative any rights under or with respect to any plan, program or arrangement described in or contemplated by this Agreement, and each such individual or legal Representative shall be entitled to look only to the express terms of any such plans, program or arrangement for his or her rights thereunder. Nothing herein is intended to override the terms and conditions of the UAW Collective Bargaining Agreement.

(d) *Plan Authority*. Nothing contained herein, express or implied, shall prohibit Purchaser or its Affiliates, as applicable, from, subject to applicable Law and the terms of the UAW Collective Bargaining Agreement, adding, deleting or changing providers of benefits, changing, increasing or decreasing co-payments, deductibles or other requirements for coverage or benefits (e.g., utilization review or pre-certification requirements), and/or making other changes in the administration or in the design, coverage and benefits provided to such Transferred Employees. Without reducing the obligations of Purchaser as set forth in **Section 6.17(a)**, no provision of this Agreement

shall be construed as a limitation on the right of Purchaser or its Affiliates, as applicable, to suspend, amend, modify or terminate any employee benefit plan, subject to the terms of the UAW Collective Bargaining Agreement. Further, (i) no provision of this Agreement shall be construed as an amendment to any employee benefit plan, and (ii) no provision of this Agreement shall be construed as limiting Purchaser's or its Affiliate's, as applicable, discretion and authority to interpret the respective employee benefit and compensation plans, agreements arrangements, and programs, in accordance with their terms and applicable Law.

(e) *Assumption of Certain Parent Employee Benefit Plans and Policies.* As of the Closing Date, Purchaser or one of its Affiliates shall assume (i) the Parent Employee Benefit Plans and Policies set forth on Section 6.17(e) of the Sellers' Disclosure Schedule as modified thereon, and all assets, trusts, insurance policies and other Contracts relating thereto, except for any that do not comply in all respects with TARP or as otherwise provided in **Section 6.17(h)** and (ii) all employee benefit plans, programs, policies, agreements or arrangements (whether written or oral) in which Employees who are covered by the UAW Collective Bargaining Agreement participate and all assets, trusts, insurance and other Contracts relating thereto (the "Assumed Plans"), for the benefit of the Transferred Employees and Sellers and Purchaser shall cooperate with each other to take all actions and execute and deliver all documents and furnish all notices necessary to establish Purchaser or one of its Affiliates as the sponsor of such Assumed Plans including all assets, trusts, insurance policies and other Contracts relating thereto. Other than with respect to any Employee who was or is covered by the UAW Collective Bargaining Agreement, Purchaser shall have no Liability with respect to any modifications or changes to Benefit Plans contemplated by Section 6.17(e) of the Sellers' Disclosure Schedule, or changes made by Parent prior to the Closing Date, and Purchaser shall not assume any Liability with respect to any such decisions or actions related thereto, and Purchaser shall only assume the Liabilities for benefits provided pursuant to the written terms and conditions of the Assumed Plan as of the Closing Date. Notwithstanding the foregoing, the assumption of the Assumed Plans is subject to Purchaser taking all necessary action, including reduction of benefits, to ensure that the Assumed Plans comply in all respects with TARP. Notwithstanding the foregoing, but subject to the terms of any Collective Bargaining Agreement to which Purchaser or one of its Affiliates is a party, Purchaser and its Affiliates may, in its sole discretion, amend, suspend or terminate any such Assumed Plan at any time in accordance with its terms.

(f) *UAW Collective Bargaining Agreement.* Parent shall assume and assign to Purchaser, as of the Closing, the UAW Collective Bargaining Agreement and all rights and Liabilities of Parent relating thereto (including Liabilities for wages, benefits and other compensation, unfair labor practices, grievances, arbitrations and contractual obligations). With respect to the UAW Collective Bargaining Agreement, Purchaser agrees to (i) recognize the UAW as the exclusive collective bargaining representative for the Transferred Employees covered by the terms of the UAW Collective Bargaining Agreement, (ii) offer employment to all Applicable Employees covered by the UAW Collective Bargaining Agreement with full recognition of all seniority rights, (iii) negotiate with the UAW over the terms of any successor collective bargaining agreement upon the expiration of the UAW Collective Bargaining Agreement and upon timely

demand by the UAW, (iv) with the agreement of the UAW or otherwise as provided by Law and to the extent necessary, adopt or assume or replace, effective as of the Closing Date, employee benefit plans, policies, programs, agreements and arrangements specified in or covered by the UAW Collective Bargaining Agreement as required to be provided to the Transferred Employees covered by the UAW Collective Bargaining Agreement, and (v) otherwise abide by all terms and conditions of the UAW Collective Bargaining Agreement. For the avoidance of doubt, the provisions of this **Section 6.17(f)** are not intended to (A) give, and shall not be construed as giving, the UAW or any Transferred Employee any enhanced or additional rights or (B) otherwise restrict the rights that Purchaser and its Affiliates have, under the terms of the UAW Collective Bargaining Agreement.

(g) *UAW Retiree Settlement Agreement.* Prior to the Closing, Purchaser and the UAW shall have entered into the UAW Retiree Settlement Agreement.

(h) *Assumption of Existing Internal VEBA.* Purchaser or one of its Affiliates shall, effective as of the Closing Date, assume from Sellers the sponsorship of the voluntary employees' beneficiary association trust between Sellers and State Street Bank and Trust Company dated as of December 17, 1997, that is funded and maintained by Sellers ("Existing Internal VEBA") and, in connection therewith, Purchaser shall, or shall cause one of its Affiliates to, (i) succeed to all of the rights, title and interest (including the rights of Sellers, if any) as plan sponsor, plan administrator or employer) under the Existing Internal VEBA, (ii) assume any responsibility or Liability relating to the Existing Internal VEBA and each Contract established thereunder or relating thereto, and (iii) to operate the Existing Internal VEBA in accordance with, and to otherwise comply with the Purchaser's obligations under, the New UAW Retiree Settlement Agreement between Purchaser and the UAW, effective as of the Closing and subject to approval by a court having jurisdiction over this matter, including the obligation to direct the trustee of the Existing Internal VEBA to transfer the UAW's share of assets in the Existing Internal VEBA to the New VEBA. The Parties shall cooperate in the execution of any documents, the adoption of any corporate resolutions or the taking of any other reasonable actions to effectuate such succession of the settlor rights, title, and interest with respect to the Existing Internal VEBA. For avoidance of doubt, Purchaser shall not assume any Liabilities relating to the Existing Internal VEBA except with respect to such Contracts set forth in Section 6.17(h) of the Sellers' Disclosure Schedule.

(i) *Wage and Tax Reporting.* Sellers and Purchaser agree to apply, and cause their Affiliates to apply, the standard procedure for successor employers set forth in Revenue Procedure 2004-53 for wage and employment Tax reporting.

(j) *Non-solicitation.* Sellers shall not, for a period of two (2) years from the Closing Date, without Purchaser's written consent, solicit, offer employment to or hire any Transferred Employee.

(k) *Cooperation.* Purchaser and Sellers shall provide each other with such records and information as may be reasonably necessary, appropriate and permitted under applicable Law to carry out their obligations under this **Section 6.17**; provided, that all

records, information systems data bases, computer programs, data rooms and data related to any Assumed Plan or Liabilities of such, assumed by Purchaser, shall be transferred to Purchaser.

(l) *Union Notifications.* Purchaser and Sellers shall reasonably cooperate with each other in connection with any notification required by Law to, or any required consultation with, or the provision of documents and information to, the employees, employee representatives, the UAW and relevant Governmental Authorities and governmental officials concerning the transactions contemplated by this Agreement, including any notice to any of Sellers' retired Employees represented by the UAW, describing the transactions contemplated herein.

(m) *Union-Represented Employees (Non-UAW).*

(i) Effective as of the Closing Date, Purchaser or one of its Affiliates shall assume the collective bargaining agreements, as amended, set forth on Section 6.17(m)(i) of the Sellers' Disclosure Schedule (collectively, the "Non-UAW Collective Bargaining Agreements") and make offers of employment to each current employee of Parent who is covered by them in accordance with the applicable terms and conditions of such Non-UAW Collective Bargaining Agreements, such assumption and offers conditioned upon (A) the non-UAW represented employees' ratification of the amendments thereto (including termination of the application of the Supplemental Agreements Covering Health Care Program to retirees and the reduction to retiree life insurance coverage) and (B) Bankruptcy Court approval of Settlement Agreements between Purchaser and such Unions and Proposed Memorandum of Understanding Regarding Retiree Health Care and Life Insurance between Sellers and such Unions, as identified on Section 6.17(m)(ii) of the Sellers' Disclosure Schedule and satisfaction of all conditions stated therein. Each such non-UAW hourly employee on layoff status, leave status or with recall rights as of the Closing Date shall continue in such status and/or retain such rights after the Closing in the Ordinary Course of Business, subject to the terms of the applicable Non-UAW Collective Bargaining Agreement. Other than as set forth in this **Section 6.17(m)**, no non-UAW collective bargaining agreement shall be assumed by Purchaser.

(ii) Section 6.17(m)(ii) of the Sellers' Disclosure Schedule sets forth agreements relating to post-retirement health care and life insurance coverage for non-UAW retired employees (the "Non-UAW Settlement Agreements"), including those agreements covering retirees who once belonged to Unions that no longer have any active employees at Sellers. Conditioned on both the approval of the Bankruptcy Court and the non-UAW represented employees' ratification of the amendments to the applicable Non-UAW Collective Bargaining Agreement providing for such coverage as described in **Section 6.17(m)(i)** above, Purchaser or one of its Affiliates shall assume and enter into the agreements identified on Section 6.17(m)(ii) of the Sellers' Disclosure Schedule. Except as set forth in those agreements identified on Section 6.17(m)(i) and Section 6.17(m)(ii) of the Sellers' Disclosure Schedule, Purchaser shall not assume any Liability to provide

post-retirement health care or life insurance coverage for current or future hourly non-UAW retirees.

(iii) Other than as expressly set forth in this **Section 6.17(m)**, Purchaser assumes no Employment-Related Obligations for non-UAW hourly Employees. For the avoidance of doubt, (A) the provisions of **Section 6.17(f)** shall not apply to this **Section 6.17(m)** and (B) the provisions of this **Section 6.17(m)** are not intended to (y) give, and shall not be construed as giving, any non-UAW Union or the covered employee or retiree of any Non-UAW Collective Bargaining Agreement any enhanced or additional rights or (z) otherwise restrict the rights that Purchaser and its Affiliates have under the terms of the Non-UAW Collective Bargaining Agreements identified on Section 6.17(m)(i) of the Sellers' Disclosure Schedule.

Section 6.18 TARP. From and after the date hereof and until such time as all amounts under the UST Credit Facilities have been paid in full, forgiven or otherwise extinguished or such longer period as may be required by Law, subject to any applicable Order of the Bankruptcy Court, each of Sellers and Purchaser shall, and shall cause each of their respective Subsidiaries to, take all necessary action to ensure that it complies in all material respects with TARP or any enhanced restrictions on executive compensation agreed to by Sellers and Sponsor prior to the Closing.

Section 6.19 Guarantees; Letters of Credit. Purchaser shall use its reasonable best efforts to cause Purchaser or one or more of its Subsidiaries to be substituted in all respects for each Seller and Excluded Entity, effective as of the Closing Date, in respect of all Liabilities of each Seller and Excluded Entity under each of the guarantees, letters of credit, letters of comfort, bid bonds and performance bonds (a) obtained by any Seller or Excluded Entity for the benefit of the business of Sellers and their Subsidiaries and (b) which is assumed by Purchaser as an Assumed Liability. As a result of such substitution, each Seller and Excluded Entity shall be released of its obligations of, and shall have no Liability following the Closing from, or in connection with any such guarantees, letters of credit, letters of comfort, bid bonds and performance bonds.

Section 6.20 Customs Duties. Purchaser shall reimburse Sellers for all customs-related duties, fees and associated costs incurred by Sellers on behalf of Purchaser with respect to periods following the Closing, including all such duties, fees and costs incurred in connection with co-loaded containers that clear customs intentionally or unintentionally under any Seller's importer or exporter identification numbers and bonds or guarantees with respect to periods following the Closing.

Section 6.21 Termination of Intellectual Property Rights. Each Seller agrees that any rights of any Seller, including any rights arising under Contracts, if any, to any and all of the Intellectual Property transferred to Purchaser pursuant to this Agreement (including indirect transfers resulting from the transfer of the Transferred Equity Interests and including transfers resulting from this **Section 6.21**), whether owned or licensed, shall terminate as of the Closing. Before and after the Closing, each Seller agrees to use its reasonable best efforts to cause the Retained Subsidiaries to do the following, but only to the extent that such Seller can do so

without incurring any Liabilities to such Retained Subsidiaries or their equity owners or creditors as a result thereof: (a) enter into a written Contract with Purchaser that expressly terminates any rights of such Retained Subsidiaries, including any rights arising under Contracts, if any, to any and all of the Intellectual Property transferred to Purchaser pursuant to this Agreement (including indirect transfers resulting from the transfer of the Transferred Equity Interests), whether owned or licensed; and (b) assign to Purchaser or its designee(s): (i) all domestic and foreign trademarks, service marks, collective marks, certification marks, trade dress, trade names, business names, d/b/a's, Internet domain names, designs, logos and other source or business identifiers and all general intangibles of like nature, now or hereafter owned, adopted, used, acquired, or licensed by any Seller, all applications, registrations and recordings thereof (including applications, registrations and recordings in the United States Patent and Trademark Office or in any similar office or agency of the United States, any state thereof or any other country or any political subdivision thereof), and all reissues, extensions or renewals thereof, together with all goodwill of the business symbolized by or associated with such marks, in each case, that are owned by such Retained Subsidiaries and that contain or are confusingly similar with (whether in whole or in part) any of the Trademarks; and (ii) all other intellectual property owned by such Retained Subsidiaries. Nothing in this **Section 6.21** shall preserve any rights of Sellers or the Retained Subsidiaries, or any third parties, that are otherwise terminated or extinguished pursuant to this Agreement or applicable Law, and nothing in this **Section 6.21** shall create any rights of Sellers or the Retained Subsidiaries, or any third parties, that do not already exist as of the date hereof. Notwithstanding anything to the contrary in this **Section 6.21**, Sellers may enter into (and may cause or permit any of the Purchased Subsidiaries to enter into) any of the transactions contemplated by Section 6.2 of the Sellers' Disclosure Schedule.

Section 6.22 Trademarks.

(a) At or before the Closing (i) Parent shall take any and all actions that are reasonably necessary to change the corporate name of Parent to a new name that bears no resemblance to Parent's present corporate name and that does not contain, and is not confusingly similar with, any of the Trademarks; and (ii) to the extent that the corporate name of any Seller (other than Parent) or any Retained Subsidiary resembles Parent's present corporate name or contains or is confusingly similar with any of the Trademarks, Sellers (including Parent) shall take any and all actions that are reasonably necessary to change such corporate names to new names that bear no resemblance to Parent's present corporate name, and that do not contain and are not confusingly similar with any of the Trademarks.

(b) As promptly as practicable following the Closing, but in no event later than ninety (90) days after the Closing (except as set forth in this **Section 6.22(b)**), Sellers shall cease, and shall cause the Retained Subsidiaries to cease, using the Trademarks in any form, whether by removing, permanently obliterating, covering, or otherwise eliminating all Trademarks that appear on any of their assets, including all signs, promotional or advertising literature, labels, stationery, business cards, office forms and packaging materials. During such time period, Sellers and the Retained Subsidiaries may continue to use Trademarks in a manner consistent with their usage of the Trademarks as of immediately prior to the Closing, but only to the extent reasonably necessary for them to continue their operations as contemplated by the Parties as of the

Closing. If requested by Purchaser within a reasonable time after the Closing, Sellers and Retained Subsidiaries shall enter into a written agreement that specifies quality control of such Trademarks and their underlying goods and services. For signs and the like that exist as of the Closing on the Excluded Real Property, if it is not reasonably practicable for Sellers or the Retained Subsidiaries to remove, permanently obliterate, cover or otherwise eliminate the Trademarks from such signs and the like within the time period specified above, then Sellers and the Retained Subsidiaries shall do so as soon as practicable following such time period, but in no event later than one-hundred eighty (180) days following the Closing.

(c) From and after the date of this Agreement and, until the earlier of the Closing or termination of this Agreement, each Seller shall use its reasonable best efforts to protect and maintain the Intellectual Property owned by Sellers that is material to the conduct of its business in a manner that is consistent with the value of such Intellectual Property.

(d) At or prior to the Closing, Sellers shall provide a true, correct and complete list setting forth all worldwide patents, patent applications, trademark registrations and applications and copyright registrations and applications included in the Intellectual Property owned by Sellers.

Section 6.23 Preservation of Records. The Parties shall preserve and keep all books and records that they own immediately after the Closing relating to the Purchased Assets, the Assumed Liabilities and Sellers' operation of the business related thereto prior to the Closing for a period of six (6) years following the Closing Date or for such longer period as may be required by applicable Law, unless disposed of in good faith pursuant to a document retention policy. During such retention period, duly authorized Representatives of a Party shall, upon reasonable notice, have reasonable access during normal business hours to examine, inspect and copy such books and records held by the other Parties for any proper purpose, except as may be prohibited by Law or by the terms of any Contract (including any confidentiality agreement); provided that to the extent that disclosing any such information would reasonably be expected to constitute a waiver of attorney-client, work product or other legal privilege with respect thereto, the Parties shall take all reasonable best efforts to permit such disclosure without the waiver of any such privilege, including entering into an appropriate joint defense agreement in connection with affording access to such information. The access provided pursuant to this **Section 6.23** shall be subject to such additional confidentiality provisions as the disclosing Party may reasonably deem necessary.

Section 6.24 Confidentiality. During the Confidentiality Period, Sellers and their Affiliates shall treat all trade secrets and all other proprietary, legally privileged or sensitive information related to the Transferred Entities, the Purchased Assets and/or the Assumed Liabilities (collectively, the "Confidential Information"), whether furnished before or after the Closing, whether documentary, electronic or oral, labeled or otherwise identified as confidential, and regardless of the form of communication or the manner in which it is or was furnished, as confidential, preserve the confidentiality thereof, not use or disclose to any Person such Confidential Information and instruct their Representatives who have had access to such information to keep confidential such Confidential Information. The "Confidentiality Period"

shall be a period commencing on the date of the Original Agreement and (a) with respect to a trade secret, continuing for as long as it remains a trade secret and (b) for all other Confidential Information, ending four (4) years from the Closing Date. Confidential Information shall be deemed not to include any information that (i) is now available to or is hereafter disclosed in a manner making it available to the general public, in each case, through no act or omission of Sellers, any of their Affiliates or any of their Representatives, or (ii) is required by Law to be disclosed, including any applicable requirements of the SEC or any other Governmental Authority responsible for securities Law regulation and compliance or any stock market or stock exchange on which any Seller's securities are listed.

Section 6.25 Privacy Policies. At or prior to the Closing, Purchaser shall, or shall cause its Subsidiaries to, establish Privacy Policies that are substantially similar to the Privacy Policies of Parent and the Purchased Subsidiaries as of immediately prior to the Closing, and Purchaser or its Affiliates, as applicable, shall honor all "opt-out" requests or preferences made by individuals in accordance with the Privacy Policies of Parent and the Purchased Subsidiaries and applicable Law; provided that such Privacy Policies and any related "opt-out" requests or preferences are delivered or otherwise made available to Purchaser prior to the Closing, to the extent not publicly available.

Section 6.26 Supplements to Sellers' Disclosure Schedule. At any time and from time to time prior to the Closing, Sellers shall have the right to supplement, modify or update Section 4.1 through Section 4.22 of the Sellers' Disclosure Schedule (a) to reflect changes and developments that have arisen after the date of the Original Agreement and that, if they existed prior to the date of the Original Agreement, would have been required to be set forth on such Sellers' Disclosure Schedule or (b) as may be necessary to correct any disclosures contained in such Sellers' Disclosure Schedule or in any representation and warranty of Sellers that has been rendered inaccurate by such changes or developments. No supplement, modification or amendment to Section 4.1 through Section 4.22 of the Sellers' Disclosure Schedule shall without the prior written consent of Purchaser, (i) cure any inaccuracy of any representation and warranty made in this Agreement by Sellers or (ii) give rise to Purchaser's right to terminate this Agreement unless and until this Agreement shall be terminable by Purchaser in accordance with **Section 8.1(f)**.

Section 6.27 Real Property Matters.

(a) Sellers and Purchaser acknowledge that certain real properties (the "Subdivision Properties") may need to be subdivided or otherwise legally partitioned in accordance with applicable Law (a "Required Subdivision") so as to permit the affected Owned Real Property to be conveyed to Purchaser separate and apart from adjacent Excluded Real Property. Section 6.27 of the Sellers' Disclosure Schedule contains a list of the Subdivision Properties that was determined based on the current list of Excluded Real Property. Section 6.27 of the Sellers' Disclosure Schedule may be updated at any time prior to the Closing to either (i) add additional Subdivision Properties or (ii) remove any Subdivision Properties, which have been determined to not require a Required Subdivision or for which a Required Subdivision has been obtained. Purchaser shall pay for all costs incurred to complete all Required Subdivisions. Sellers shall cooperate in good faith with Purchaser in connection with the completion with all Required

Subdivisions, including executing all required applications or other similar documents with Governmental Authorities. To the extent that any Required Subdivision for a Subdivision Property is not completed prior to Closing, then at Closing, Sellers shall lease to Purchaser only that portion of such Subdivision Property that constitutes Owned Real Property pursuant to the Master Lease Agreement (Subdivision Properties) substantially in the form attached hereto as **Exhibit L** (the "Subdivision Master Lease"). Upon completion of a Required Subdivision affecting an Owned Real Property that is subject to the Subdivision Master Lease, the Subdivision Master Lease shall be terminated as to such Owned Real Property and such Owned Real Property shall be conveyed to Purchaser by Quitclaim Deed for One Dollar ($1.00) in stated consideration.

(b) Sellers and Purchaser acknowledge that the Saginaw Nodular Iron facility in Saginaw, Michigan (the "Saginaw Nodular Iron Land") contains a wastewater treatment facility (the "Existing Saginaw Wastewater Facility") and a landfill (the "Saginaw Landfill") that currently serve the Owned Real Property commonly known as the GMPT - Saginaw Metal Casting facility (the "Saginaw Metal Casting Land"). The Saginaw Nodular Iron Land has been designated as an Excluded Real Property under Section 2.2(b)(v) of the Sellers' Disclosure Schedule. At the Closing (or within sixty (60) days after the Closing with respect to the Saginaw Landfill), Sellers shall enter into one or more service agreements with one or more third party contractors (collectively, the "Saginaw Service Contracts") to operate the Existing Saginaw Wastewater Facility and the Saginaw Landfill for the benefit of the Saginaw Metal Casting Land. The terms and conditions of the Saginaw Service Contracts shall be mutually acceptable to Purchaser and Sellers; provided that the term of each Saginaw Service Contract shall not extend beyond December 31, 2012, and Purchaser shall have the right to terminate any Saginaw Service Contract upon prior written notice of not less than forty-five (45) days. At any time during the term of the Saginaw Service Contracts, Purchaser may elect to purchase the Existing Saginaw Wastewater Facility, the Saginaw Landfill, or both, for One Dollar ($1.00) in stated consideration; provided that (i) Purchaser shall pay all costs and fees related to such purchase, including the costs of completing any Required Subdivision necessary to effectuate the terms of this **Section 6.27(b)**, (ii) Sellers shall convey title to the Existing Saginaw Wastewater Facility, the Saginaw Landfill and/or such other portion of the Saginaw Nodular Iron Land as is required by Purchaser to operate the Existing Saginaw Wastewater Facility and/or the Saginaw Landfill, including lagoons, but not any other portion of the Saginaw Nodular Iron Land, to Purchaser by quitclaim deed and (iii) Sellers shall grant Purchaser such easements for utilities over the portion of the Saginaw Nodular Iron Land retained by Sellers as may be required to operate the Existing Saginaw Wastewater Facility and/or the Saginaw Landfill.

(c) Sellers and Purchaser acknowledge that access to certain Excluded Real Property owned by Sellers or other real properties owned by Excluded Entities and certain Owned Real Property that may hereafter be designated as Excluded Real Property on Section 2.2(b)(v) of the Sellers' Disclosure Schedule (a "Landlocked Parcel") is provided over land that is part of the Owned Real Property. To the extent that direct access to a public right-of-way is not obtained for any Landlocked Parcel by the Closing, then at Closing, Purchaser, in its sole election, shall for each such Landlocked Parcel either (i) grant an access easement over a mutually agreeable portion of the adjacent

Owned Real Property for the benefit of the Landlocked Parcel until such time as the Landlocked Parcel obtains direct access to the public right-of-way, pursuant to the terms of a mutually acceptable easement agreement, or (ii) convey to the owner of the affected Landlocked Parcel by quitclaim deed such portion of the adjacent Owned Real Property as is required to provide the Landlocked Parcel with direct access to a public right-of-way.

(d) At and after Closing, Sellers and Purchasers shall cooperate in good faith to investigate and resolve all issues reasonably related to or arising in connection with Shared Executory Contracts that involve the provision of water, water treatment, electricity, fuel, gas, telephone and other utilities to both Owned Real Property and Excluded Real Property.

(e) Parent shall use reasonable best efforts to cause the Willow Run Landlord to execute, within thirty (30) days after the Closing, or at such later date as may be mutually agreed upon, an amendment to the Willow Run Lease which extends the term of the Willow Run Lease until December 31, 2010 with three (3) one-month options to extend, all at the current rental rate under the Willow Run Lease (the "Willow Run Lease Amendment"). In the event that the Willow Run Lease Amendment is approved and executed by the Willow Run Landlord, then Purchaser shall designate the Willow Run Lease as an Assumable Executory Contract and Parent and Purchaser, or one of its designated Subsidiaries, shall enter into an assignment and assumption of the Willow Run Lease substantially in the form attached hereto as **Exhibit M** (the "Assignment and Assumption of Willow Run Lease").

Section 6.28 Equity Incentive Plans. Within a reasonable period of time following the Closing, Purchaser, through its board of directors, will adopt equity incentive plans to be maintained by Purchaser for the benefit of officers, directors, and employees of Purchaser that will provide the opportunity for equity incentive benefits for such persons ("Equity Incentive Plans").

Section 6.29 Purchase of Personal Property Subject to Executory Contracts. With respect to any Personal Property subject to an Executory Contract that is nominally an unexpired lease of Personal Property, if (a) such Contract is recharacterized by a Final Order of the Bankruptcy Court as a secured financing or (b) Purchaser, Sellers and the counterparty to such Contract agree, then Purchaser shall have the option to purchase such personal property by paying to the applicable Seller for the benefit of the counterparty to such Contract an amount equal to the amount, as applicable (i) of such counterparty's allowed secured Claim arising in connection with the recharacterization of such Contract as determined by such Order or (ii) agreed to by Purchaser, Sellers and such counterparty.

Section 6.30 Transfer of Riverfront Holdings, Inc. Equity Interests or Purchased Assets; Ren Cen Lease. Notwithstanding anything to the contrary set forth in this Agreement, in lieu of or in addition to the transfer of Sellers' Equity Interest in Riverfront Holdings, Inc., a Delaware corporation ("RHI"), Purchaser shall have the right at the Closing or at any time during the RHI Post-Closing Period, to require Sellers to cause RHI to transfer good and marketable title to, or a valid and enforceable right by Contract to use, all or any portion of the assets of RHI

to Purchaser. Purchaser shall, at its option, have the right to cause Sellers to postpone the transfer of Sellers' Equity Interest in RHI and/or title to the assets of RHI to Purchaser up until the earlier of (i) January 31, 2010 and (ii) the Business Day immediately prior to the date of the confirmation hearing for Sellers' plan of liquidation or reorganization (the "RHI Post-Closing Period"); provided, however, that (a) Purchaser may cause Sellers to effectuate said transfers at any time and from time to time during the RHI-Post Closing Period upon at least five (5) Business Days' prior written notice to Sellers and (b) at the closing, RHI, as landlord, and Purchaser, or one of its designated Subsidiaries, as tenant, shall enter into a lease agreement substantially in the form attached hereto as **Exhibit N** (the "Ren Cen Lease") for the premises described therein.

Section 6.31 Delphi Agreements. Notwithstanding anything to the contrary in this Agreement, including **Section 6.6**:

(a) Subject to and simultaneously with the consummation of the transactions contemplated by the MDA or of an Acceptable Alternative Transaction (in each case, as defined in the Delphi Motion), (i) the Delphi Transaction Agreements shall, effective immediately upon and simultaneously with such consummation, (A) be deemed to be Assumable Executory Contracts and (B) be assumed and assigned to Purchaser and (ii) the Assumption Effective Date with respect thereto shall be deemed to be the date of such consummation.

(b) The LSA Agreement shall, effective at the Closing, (i) be deemed to be an Assumable Executory Contract and (B) be assumed and assigned to Purchaser and (ii) the Assumption Effective Date with respect thereto shall be deemed to be the Closing Date. To the extent that any such agreement is not an Executory Contract, such agreement shall be deemed to be a Purchased Contract.

Section 6.32 GM Strasbourg S.A. Restructuring. The Parties acknowledge and agree that General Motors International Holdings, Inc., a direct Subsidiary of Parent and the direct parent of GM Strasbourg S.A., may, prior to the Closing, dividend its Equity Interest in GM Strasbourg S.A. to Parent, such that following such dividend, GM Strasbourg S.A. will become a wholly-owned direct Subsidiary of Parent. Notwithstanding anything to the contrary in this Agreement, the Parties further acknowledge and agree that following the consummation of such restructuring at any time prior to the Closing, GM Strasbourg S.A. shall automatically, without further action by the Parties, be designated as an Excluded Entity and deemed to be set forth on Section 2.2(b)(iv) of the Sellers' Disclosure Schedule.

Section 6.33 Holding Company Reorganization. The Parties agree that Purchaser may, with the prior written consent of Sellers, reorganize prior to the Closing such that Purchaser may become a direct or indirect, wholly-owned Subsidiary of Holding Company on such terms and in such manner as is reasonably acceptable to Sellers, and Purchaser may assign all or a portion of its rights and obligations under this Agreement to Holding Company (or one or more newly formed, direct or indirect, wholly-owned Subsidiaries of Holding Company) in accordance with **Section 9.5**. In connection with any restructuring effected pursuant to this **Section 6.33**, the Parties further agree that, notwithstanding anything to the contrary in this Agreement (a) Parent shall receive securities of Holding Company with the same rights and

privileges, and in the same proportions, as the Parent Shares and the Parent Warrants, in each case, in lieu of the Parent Shares and Parent Warrants, as Purchase Price hereunder, (b) Canada, New VEBA and Sponsor shall receive securities of Holding Company with the same rights and privileges, and in the same proportions, as the Canada Shares, VEBA Shares, VEBA Warrant and Sponsor Shares, as applicable, in each case, in connection with the Closing and (c) New VEBA shall receive the VEBA Note issued by the same entity that becomes the obligor on the Purchaser Assumed Debt.

Section 6.34 Transfer of Promark Global Advisors Limited and Promark Investment Trustees Limited Equity Interests. Notwithstanding anything to the contrary set forth in this Agreement, in the event approval by the Financial Services Authority (the "FSA Approval") of the transfer of Sellers' Equity Interests in Promark Global Advisors Limited and Promark Investments Trustees Limited (together, the "Promark UK Subsidiaries") has not been obtained as of the Closing Date, Sellers shall, at their option, have the right to postpone the transfer of Sellers' Equity Interests in the Promark UK Subsidiaries until such time as the FSA Approval is obtained. If the transfer of Sellers' Equity Interests in the Promark UK Subsidiaries is postponed pursuant to this **Section 6.34**, then (a) Sellers and Purchaser shall effectuate the transfer of Sellers' Equity Interests in the Promark UK Subsidiaries no later than five (5) Business Days following the date that the FSA Approval is obtained and (b) Sellers shall enter into a transitional services agreement with Promark Global Advisors, Inc. in the form provided by Promark Global Advisors, Inc., which shall include terms and provisions regarding: (i) certain transitional services to be provided by Promark Global Advisors, Inc. to the Promark UK Subsidiaries, (ii) the continued availability of director and officer liability insurance for directors and officers of the Promark UK Subsidiaries and (iii) certain actions on the part of the Promark UK Subsidiaries to require the prior written consent of Promark Global Advisors, Inc., including changes to employee benefits or compensation, declaration of dividends, material financial transactions, disposition of material assets, entry into material agreements, changes to existing business plans, changes in management and the boards of directors of the Promark UK Subsidiaries and other similar actions.

Section 6.35 Transfer of Equity Interests in Certain Subsidiaries. Notwithstanding anything to the contrary set forth in this Agreement, the Parties may mutually agree to postpone the transfer of Sellers' Equity Interests in those Transferred Entities as are mutually agreed upon by the Parties ("Delayed Closing Entities") to a date following the Closing.

ARTICLE VII
CONDITIONS TO CLOSING

Section 7.1 Conditions to Obligations of Purchaser and Sellers. The respective obligations of Purchaser and Sellers to consummate the transactions contemplated by this Agreement are subject to the fulfillment or written waiver (to the extent permitted by applicable Law), prior to or at the Closing, of each of the following conditions:

(a) The Bankruptcy Court shall have entered the Sale Approval Order and the Sale Procedures Order on terms acceptable to the Parties and reasonably acceptable to the UAW, and each shall be a Final Order and shall not have been vacated, stayed or

reversed; provided, however, that the conditions contained in this **Section 7.1(a)** shall be satisfied notwithstanding the pendency of an appeal if the effectiveness of the Sale Approval Order has not been stayed.

(b) No Order or Law of a United States Governmental Authority shall be in effect that declares this Agreement invalid or unenforceable or that restrains, enjoins or otherwise prohibits the consummation of the transactions contemplated by this Agreement.

(c) Sponsor shall have delivered, or caused to be delivered to Sellers and Purchaser an equity registration rights agreement, substantially in the form attached hereto as **Exhibit O** (the "Equity Registration Rights Agreement"), duly executed by Sponsor.

(d) Canada shall have delivered, or caused to be delivered to Sellers and Purchaser the Equity Registration Rights Agreement, duly executed by Canada.

(e) The Canadian Debt Contribution shall have been consummated.

(f) The New VEBA shall have delivered, or caused to be delivered to Sellers and Purchaser, the Equity Registration Rights Agreement, duly executed by the New VEBA.

(g) Purchaser shall have received (i) consents from Governmental Authorities, (ii) Permits and (iii) consents from non-Governmental Authorities, in each case with respect to the transactions contemplated by this Agreement and the ownership and operation of the Purchased Assets and Assumed Liabilities by Purchaser from and after the Closing, sufficient in the aggregate to permit Purchaser to own and operate the Purchased Assets and Assumed Liabilities from and after the Closing in substantially the same manner as owned and operated by Sellers immediately prior to the Closing (after giving effect to (A) the implementation of the Viability Plans; (B) Parent's announced shutdown, which began in May 2009; and (C) the Bankruptcy Cases (or any other bankruptcy, insolvency or similar proceeding filed by or in respect of any Subsidiary of Parent).

(h) Sellers shall have executed and delivered definitive financing agreements restructuring the Wind Down Facility in accordance with the provisions of **Section 6.9(b)**.

Section 7.2 Conditions to Obligations of Purchaser. The obligations of Purchaser to consummate the transactions contemplated by this Agreement are subject to the fulfillment or written waiver, prior to or at the Closing, of each of the following conditions; provided, however, that in no event may Purchaser waive the conditions contained in **Section 7.2(d)** or **Section 7.2(e)**:

(a) Each of the representations and warranties of Sellers contained in **ARTICLE IV** of this Agreement shall be true and correct (disregarding for the purposes of such determination any qualification as to materiality or Material Adverse Effect) as of

the Closing Date as if made on the Closing Date (except for representations and warranties that speak as of a specific date or time, which representations and warranties shall be true and correct only as of such date or time), except to the extent that any breaches of such representations and warranties, individually or in the aggregate, have not had, or would not reasonably be expected to have, a Material Adverse Effect.

(b) Sellers shall have performed or complied in all material respects with all agreements and obligations required by this Agreement to be performed or complied with by Sellers prior to or at the Closing.

(c) Sellers shall have delivered, or caused to be delivered, to Purchaser:

(i) a certificate executed as of the Closing Date by a duly authorized representative of Sellers, on behalf of Sellers and not in such authorized representative's individual capacity, certifying that the conditions set forth in **Section 7.2(a)** and **Section 7.2(b)** have been satisfied;

(ii) the Equity Registration Rights Agreement, duly executed by Parent;

(iii) stock certificates or membership interest certificates, if any, evidencing the Transferred Equity Interests (other than in respect of the Equity Interests held by Sellers in RHI, Promark Global Advisors Limited, Promark Investments Trustees Limited and the Delayed Closing Entities, which the Parties agree may be transferred following the Closing in accordance with **Section 6.30**, **Section 6.34** and **Section 6.35**), duly endorsed in blank or accompanied by stock powers (or similar documentation) duly endorsed in blank, in proper form for transfer to Purchaser, including any required stamps affixed thereto;

(iv) an omnibus bill of sale, substantially in the form attached hereto as **Exhibit P** (the "Bill of Sale"), together with transfer tax declarations and all other instruments of conveyance that are necessary to effect transfer to Purchaser of title to the Purchased Assets, each in a form reasonably satisfactory to the Parties and duly executed by the appropriate Seller;

(v) an omnibus assignment and assumption agreement, substantially in the form attached hereto as **Exhibit Q** (the "Assignment and Assumption Agreement"), together with all other instruments of assignment and assumption that are necessary to transfer the Purchased Contracts and Assumed Liabilities to Purchaser, each in a form reasonably satisfactory to the Parties and duly executed by the appropriate Seller;

(vi) a novation agreement, substantially in the form attached hereto as **Exhibit R** (the "Novation Agreement"), duly executed by Sellers and the appropriate United States Governmental Authorities;

(vii) a government related subcontract agreement, substantially in the form attached hereto as **Exhibit S** (the "Government Related Subcontract Agreement"), duly executed by Sellers;

(viii) an omnibus intellectual property assignment agreement, substantially in the form attached hereto as **Exhibit T** (the "Intellectual Property Assignment Agreement"), duly executed by Sellers;

(ix) a transition services agreement, substantially in the form attached hereto as **Exhibit U** (the "Transition Services Agreement"), duly executed by Sellers;

(x) all quitclaim deeds or deeds without warranty (or equivalents for those parcels of Owned Real Property located in jurisdictions outside of the United States), in customary form, subject only to Permitted Encumbrances, conveying the Owned Real Property to Purchaser (the "Quitclaim Deeds"), duly executed by the appropriate Seller;

(xi) all required Transfer Tax or sales disclosure forms relating to the Transferred Real Property (the "Transfer Tax Forms"), duly executed by the appropriate Seller;

(xii) an assignment and assumption of the leases and subleases underlying the Leased Real Property, in substantially the form attached hereto as **Exhibit V** (the "Assignment and Assumption of Real Property Leases"), together with such other instruments of assignment and assumption that are necessary to transfer the leases and subleases underlying the Leased Real Property located in jurisdictions outside of the United States, each duly executed by Sellers; provided, however, that if it is required for the assumption and assignment of any lease or sublease underlying a Leased Real Property that a separate assignment and assumption for such lease or sublease be executed, then a separate assignment and assumption of such lease or sublease shall be executed in a form substantially similar to **Exhibit V** or as otherwise required to assume or assign such Leased Real Property;

(xiii) an assignment and assumption of the lease in respect of the premises located at 2485 Second Avenue, New York, New York, substantially in the form attached hereto as **Exhibit W** (the "Assignment and Assumption of Harlem Lease"), duly executed by Harlem;

(xiv) an omnibus lease agreement in respect of the lease of certain portions of the Excluded Real Property that is owned real property, substantially in the form attached hereto as **Exhibit X** (the "Master Lease Agreement"), duly executed by Parent;

(xv) *[Reserved]*;

(xvi) the Saginaw Service Contracts, if required, duly executed by the appropriate Seller;

(xvii) any easement agreements required under **Section 6.27(c)**, duly executed by the appropriate Seller;

(xviii) the Subdivision Master Lease, if required, duly executed by the appropriate Sellers;

(xix) a certificate of an officer of each Seller (A) certifying that attached to such certificate are true and complete copies of (1) such Seller's Organizational Documents, each as amended through and in effect on the Closing Date and (2) resolutions of the board of directors of such Seller, authorizing the execution, delivery and performance of this Agreement and the Ancillary Agreements to which such Seller is a party, the consummation of the transactions contemplated by this Agreement and such Ancillary Agreements and the matters set forth in **Section 6.16(e)**, and (B) certifying as to the incumbency of the officer(s) of such Seller executing this Agreement and the Ancillary Agreements to which such Seller is a party;

(xx) a certificate in compliance with Treas. Reg. §1.1445-2(b)(2) that each Seller is not a foreign person as defined under Section 897 of the Tax Code;

(xxi) a certificate of good standing for each Seller from the Secretary of State of the State of Delaware;

(xxii) their written agreement to treat the Relevant Transactions and the other transactions contemplated by this Agreement in accordance with Purchaser's determination in **Section 6.16**;

(xxiii) payoff letters and related Encumbrance-release documentation (including, if applicable, UCC-3 termination statements), each in a form reasonably satisfactory to the Parties and duly executed by the holders of the secured Indebtedness; and

(xxiv) all books and records of Sellers described in **Section 2.2(a)(xiv)**.

(d) The UAW Collective Bargaining Agreement shall have been ratified by the membership, shall have been assumed by the applicable Sellers and assigned to Purchaser, and shall be in full force and effect.

(e) The UAW Retiree Settlement Agreement shall have been executed and delivered by the UAW and shall have been approved by the Bankruptcy Court as part of the Sale Approval Order.

(f) The Canadian Operations Continuation Agreement shall have been executed and delivered by the parties thereto in the form previously distributed among them.

Section 7.3 Conditions to Obligations of Sellers. The obligations of Sellers to consummate the transactions contemplated by this Agreement are subject to the fulfillment or written waiver, prior to or at the Closing, of each of the following conditions; provided, however, that in no event may Sellers waive the conditions contained in **Section 7.3(h)** or **Section 7.3(i)**:

(a) Each of the representations and warranties of Purchaser contained in **ARTICLE V** of this Agreement shall be true and correct (disregarding for the purpose of such determination any qualification as to materiality or Purchaser Material Adverse Effect) as of the Closing Date as if made on such date (except for representations and warranties that speak as of a specific date or time, which representations and warranties shall be true and correct only as of such date or time), except to the extent that any breaches of such representations and warranties, individually or in the aggregate, have not had, or would not reasonably be expected to have, a Purchaser Material Adverse Effect.

(b) Purchaser shall have performed or complied in all material respects with all agreements and obligations required by this Agreement to be performed or complied with by it prior to or at the Closing.

(c) Purchaser shall have delivered, or caused to be delivered, to Sellers:

(i) Parent Warrant A (including the related warrant agreement), duly executed by Purchaser;

(ii) Parent Warrant B (including the related warrant agreement), duly executed by Purchaser;

(iii) a certificate executed as of the Closing Date by a duly authorized representative of Purchaser, on behalf of Purchaser and not in such authorized representative's individual capacity, certifying that the conditions set forth in **Section 7.3(a)** and **Section 7.3(b)** are satisfied;

(iv) stock certificates evidencing the Parent Shares, duly endorsed in blank or accompanied by stock powers duly endorsed in blank, in proper form for transfer, including any required stamps affixed thereto;

(v) the Equity Registration Rights Agreement, duly executed by Purchaser;

(vi) the Bill of Sale, together with all other documents described in **Section 7.2(c)(iv)**, each duly executed by Purchaser or its designated Subsidiaries;

(vii) the Assignment and Assumption Agreement, together with all other documents described in **Section 7.2(c)(v)**, each duly executed by Purchaser or its designated Subsidiaries;

(viii) the Novation Agreement, duly executed by Purchaser or its designated Subsidiaries;

(ix) the Government Related Subcontract Agreement, duly executed by Purchaser or its designated Subsidiary;

(x) the Intellectual Property Assignment Agreement, duly executed by Purchaser or its designated Subsidiaries;

(xi) the Transition Services Agreement, duly executed by Purchaser or its designated Subsidiaries;

(xii) the Transfer Tax Forms, duly executed by Purchaser or its designated Subsidiaries, to the extent required;

(xiii) the Assignment and Assumption of Real Property Leases, together with all other documents described in **Section 7.2(c)(xii)**, each duly executed by Purchaser or its designated Subsidiaries;

(xiv) the Assignment and Assumption of Harlem Lease, duly executed by Purchaser or its designated Subsidiaries;

(xv) the Master Lease Agreement, duly executed by Purchaser or its designated Subsidiaries;

(xvi) *[Reserved]*;

(xvii) the Subdivision Master Lease, if required, duly executed by Purchaser or its designated Subsidiaries;

(xviii) any easement agreements required under **Section 6.27(c)**, duly executed by Purchaser or its designated Subsidiaries;

(xix) a certificate of a duly authorized representative of Purchaser (A) certifying that attached to such certificate are true and complete copies of (1) Purchaser's Organizational Documents, each as amended through and in effect on the Closing Date and (2) resolutions of the board of directors of Purchaser, authorizing the execution, delivery and performance of this Agreement and the Ancillary Agreements to which Purchaser is a party, the consummation of the transactions contemplated by this Agreement and such Ancillary Agreements and the matters set forth in **Section 6.16(g)**, and (B) certifying as to the incumbency of the officer(s) of Purchaser executing this Agreement and the Ancillary Agreements to which Purchaser is a party; and

(xx) a certificate of good standing for Purchaser from the Secretary of State of the State of Delaware.

(d) *[Reserved]*

(e) Purchaser shall have filed a certificate of designation for the Preferred Stock, substantially in the form attached hereto as **Exhibit Y**, with the Secretary of State of the State of Delaware.

(f) Purchaser shall have offset the UST Credit Bid Amount against the amount of Indebtedness of Parent and its Subsidiaries owed to Purchaser as of the Closing under the UST Credit Facilities pursuant to a Bankruptcy Code Section 363(k) credit bid and delivered releases and waivers and related Encumbrance-release documentation (including, if applicable, UCC-3 termination statements) with respect to the UST Credit Bid Amount, in a form reasonably satisfactory to the Parties and duly executed by Purchaser in accordance with the applicable requirements in effect on the date hereof, (iii) transferred to Sellers the UST Warrant and (iv) issued to Parent, in accordance with instructions provided by Parent, the Purchaser Shares and the Parent Warrants (duly executed by Purchaser).

(g) Purchaser shall have delivered, or caused to be delivered, to Canada, Sponsor and/or the New VEBA, as applicable:

(i) certificates representing the Canada Shares, the Sponsor Shares and the VEBA Shares in accordance with the applicable equity subscription agreements in effect on the date hereof;

(ii) the Equity Registration Rights Agreement, duly executed by Purchaser;

(iii) the VEBA Warrant (including the related warrant agreement), duly executed by Purchaser; and

(iv) a note, in form and substance consistent with the terms set forth on **Exhibit Z** attached hereto, to the New VEBA (the "VEBA Note").

(h) The UAW Collective Bargaining Agreement shall have been ratified by the membership, shall have been assumed by Purchaser, and shall be in full force and effect.

(i) The UAW Retiree Settlement Agreement shall have been executed and delivered, shall be in full force and effect, and shall have been approved by the Bankruptcy Court as part of the Sale Approval Order.

ARTICLE VIII
TERMINATION

Section 8.1 Termination. This Agreement may be terminated, and the transactions contemplated hereby may be abandoned, at any time prior to the Closing Date as follows:

(a) by the mutual written consent of Sellers and Purchaser;

(b) by either Sellers or Purchaser, if (i) the Closing shall not have occurred on or before August 15, 2009, or such later date as the Parties may agree in writing, such date not to be later than September 15, 2009 (as extended, the "End Date"), and (ii) the Party seeking to terminate this Agreement pursuant to this **Section 8.1(b)** shall not have breached in any material respect its obligations under this Agreement in any manner that shall have proximately caused the failure of the transactions contemplated hereby to close on or before such date;

(c) by either Sellers or Purchaser, if the Bankruptcy Court shall not have entered the Sale Approval Order by July 10, 2009;

(d) by either Sellers or Purchaser, if any court of competent jurisdiction in the United States or other United States Governmental Authority shall have issued a Final Order permanently restraining, enjoining or otherwise prohibiting the transactions contemplated by this Agreement or the sale of a material portion of the Purchased Assets;

(e) by Sellers, if Purchaser shall have breached or failed to perform in any material respect any of its representations, warranties, covenants or other agreements contained in this Agreement, and such breach or failure to perform has not been cured by the End Date, provided that (i) Sellers shall have given Purchaser written notice, delivered at least thirty (30) days prior to such termination, stating Sellers' intention to terminate this Agreement pursuant to this **Section 8.1(e)** and the basis for such termination and (ii) Sellers shall not have the right to terminate this Agreement pursuant to this **Section 8.1(e)** if Sellers are then in material breach of any its representations, warranties, covenants or other agreements set forth herein;

(f) by Purchaser, if Sellers shall have breached or failed to perform in any material respect any of its representations, warranties, covenants or other agreements contained in this Agreement, which breach or failure to perform (i) would (if it occurred or was continuing as of the Closing Date) give rise to the failure of a condition set forth in **Section 7.2(a)** or **Section 7.2(b)** to be fulfilled, (ii) cannot be cured by the End Date, provided that (i) Purchaser shall have given Sellers written notice, delivered at least thirty (30) days prior to such termination, stating Purchaser's intention to terminate this Agreement pursuant to this **Section 8.1(f)** and the basis for such termination and (iii) Purchaser shall not have the right to terminate this Agreement pursuant to this **Section 8.1(f)** if Purchaser is then in material breach of any its representations, warranties, covenants or other agreements set forth herein; or

(g) by either Sellers or Purchaser, if the Bankruptcy Court shall have entered an Order approving an Alternative Transaction.

Section 8.2 Procedure and Effect of Termination.

(a) If this Agreement is terminated pursuant to **Section 8.1**, this Agreement shall become null and void and have no effect, and all obligations of the Parties hereunder shall terminate, except for those obligations of the Parties set forth this **Section 8.2** and **ARTICLE IX**, which shall remain in full force and effect; provided that nothing

herein shall relieve any Party from Liability for any material breach of any of its representations, warranties, covenants or other agreements set forth herein. If this Agreement is terminated as provided herein, all filings, applications and other submissions made pursuant to this Agreement shall, to the extent practicable, be withdrawn from the agency or other Person to which they were made.

(b) If this Agreement is terminated by Sellers or Purchaser pursuant to **Section 8.1(a)** through **Section 8.1(d)** or **Section 8.1(g)** or by Purchaser pursuant to **Section 8.1(f)**, Sellers, severally and not jointly, shall reimburse Purchaser for its reasonable, out-of-pocket costs and expenses (including reasonable attorneys' fees) incurred by Purchaser in connection with this Agreement and the transactions contemplated hereby (the "Purchaser Expense Reimbursement"). The Purchaser Expense Reimbursement shall be paid as an administrative expense Claim of Sellers pursuant to Section 503(b)(1) of the Bankruptcy Code.

(c) Except as expressly provided for in this **Section 8.2**, any termination of this Agreement pursuant to **Section 8.1** shall be without Liability to Purchaser or Sellers, including any Liability by Sellers to Purchaser for any break-up fee, termination fee, expense reimbursement or other compensation as a result of a termination of this Agreement.

(d) If this Agreement is terminated for any reason, Purchaser shall, and shall cause each of its Affiliates and Representatives to, treat and hold as confidential all Confidential Information, whether documentary, electronic or oral, labeled or otherwise identified as confidential, and regardless of the form of communication or the manner in which it was furnished. For purposes of this **Section 8.2(d)**, Confidential Information shall be deemed not to include any information that (i) is now available to or is hereafter disclosed in a manner making it available to the general public, in each case, through no act or omission of Purchaser, any of its Affiliates or any of their Representatives, or (ii) is required by Law to be disclosed.

ARTICLE IX
MISCELLANEOUS

Section 9.1 Survival of Representations, Warranties, Covenants and Agreements and Consequences of Certain Breaches. The representations and warranties of the Parties contained in this Agreement shall be extinguished by and shall not survive the Closing, and no Claims may be asserted in respect of, and no Party shall have any Liability for any breach of, the representations and warranties. All covenants and agreements contained in this Agreement, including those covenants and agreements set forth in **ARTICLE II** and **ARTICLE VI**, shall survive the Closing indefinitely.

Section 9.2 Notices. Any notice, request, instruction, consent, document or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been sufficiently given or served for all purposes (a) upon delivery when personally delivered; (b) on the delivery date after having been sent by a nationally or internationally recognized overnight courier service (charges prepaid); (c) at the time received

when sent by registered or certified mail, return receipt requested, postage prepaid; or (d) at the time when confirmation of successful transmission is received (or the first Business Day following such receipt if the date of such receipt is not a Business Day) if sent by facsimile, in each case, to the recipient at the address or facsimile number, as applicable, indicated below:

If to any Seller:

General Motors Corporation
300 Renaissance Center
Tower 300, 25th Floor, Room D55
M/C 482-C25-D81
Detroit, Michigan 48265-3000
Attn: General Counsel
Tel.: 313-667-3450
Facsimile: 248-267-4584

With copies to:

Jenner & Block LLP
330 North Wabash Avenue
Chicago, Illinois 60611-7603
Attn: Joseph P. Gromacki
Michael T. Wolf
Tel.: 312-222-9350
Facsimile: 312-527-0484

and

Weil Gotshal & Manges LLP
767 Fifth Avenue
New York, New York 10153
Attn: Harvey R. Miller
Stephen Karotkin
Raymond Gietz
Tel.: 212-310-8000
Facsimile: 212-310-8007

If to Purchaser:

NGMCO, Inc.
c/o The United States Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington D.C. 20220
Attn: Chief Counsel Office of Financial Stability
Facsimile: 202-927-9225

With a copy to: Cadwalader, Wickersham & Taft LLP
One World Financial Center
New York, New York 10281
Attn: John J. Rapisardi
R. Ronald Hopkinson
Tel.: 212-504-6000
Facsimile: 212-504-6666

provided, however, if any Party shall have designated a different addressee and/or contact information by notice in accordance with this **Section 9.2**, then to the last addressee as so designated.

Section 9.3 Fees and Expenses; No Right of Setoff. Except as otherwise provided in this Agreement, including **Section 8.2(b)**, Purchaser, on the one hand, and each Seller, on the other hand, shall bear its own fees, costs and expenses, including fees and disbursements of counsel, financial advisors, investment bankers, accountants and other agents and representatives, incurred in connection with the negotiation and execution of this Agreement and each Ancillary Agreement and the consummation of the transactions contemplated hereby and thereby. In furtherance of the foregoing, Purchaser shall be solely responsible for (a) all expenses incurred by it in connection with its due diligence review of Sellers and their respective businesses, including surveys, title work, title inspections, title searches, environmental testing or inspections, building inspections, Uniform Commercial Code lien and other searches and (b) any cost (including any filing fees) incurred by it in connection with notarization, registration or recording of this Agreement or an Ancillary Agreement required by applicable Law. No Party nor any of its Affiliates shall have any right of holdback or setoff or assert any Claim or defense with respect to any amounts that may be owed by such Party or its Affiliates to any other Party (or Parties) hereto or its or their Affiliates as a result of and with respect to any amount that may be owing to such Party or its Affiliates under this Agreement, any Ancillary Agreement or any other commercial arrangement entered into in between or among such Parties and/or their respective Affiliates.

Section 9.4 Bulk Sales Laws. Each Party hereto waives compliance by the other Parties with any applicable bulk sales Law.

Section 9.5 Assignment. Neither this Agreement nor any of the rights, interests or obligations provided by this Agreement may be assigned or delegated by any Party (whether by operation of law or otherwise) without the prior written consent of the other Parties, and any such assignment or delegation without such prior written consent shall be null and void; provided, however, that, without the consent of Sellers, Purchaser may assign or direct the transfer on its behalf on or prior to the Closing of all, or any portion, of its rights to purchase, accept and acquire the Purchased Assets and its obligations to assume and thereafter pay or perform as and when due, or otherwise discharge, the Assumed Liabilities, to Holding Company or one or more newly-formed, direct or indirect, wholly-owned Subsidiaries of Holding Company or Purchaser; provided, further, that no such assignment or delegation shall relieve Purchaser of any of its obligations under this Agreement. Subject to the preceding sentence and except as otherwise expressly provided herein, this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns.

Section 9.6 Amendment. This Agreement may not be amended, modified or supplemented except upon the execution and delivery of a written agreement executed by a duly authorized representative or officer of each of the Parties.

Section 9.7 Waiver. At any time prior to the Closing, each Party may (a) extend the time for the performance of any of the obligations or other acts of the other Parties; (b) waive any inaccuracies in the representations and warranties contained in this Agreement or in any document delivered pursuant hereto; or (c) waive compliance with any of the agreements or conditions contained herein (to the extent permitted by Law). Any such waiver or extension by a Party (i) shall be valid only if, and to the extent, set forth in a written instrument signed by a duly authorized representative or officer of the Party to be bound and (ii) shall not constitute, or be construed as, a continuing waiver of such provision, or a waiver of any other breach of, or failure to comply with, any other provision of this Agreement. The failure in any one or more instances of a Party to insist upon performance of any of the terms, covenants or conditions of this Agreement, to exercise any right or privilege in this Agreement conferred, or the waiver by said Party of any breach of any of the terms, covenants or conditions of this Agreement shall not be construed as a subsequent waiver of, or estoppel with respect to, any other terms, covenants, conditions, rights or privileges, but the same will continue and remain in full force and effect as if no such forbearance or waiver had occurred.

Section 9.8 Severability. Whenever possible, each term and provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable Law. If any term or provision of this Agreement, or the application thereof to any Person or any circumstance, is held to be illegal, invalid or unenforceable, (a) a suitable and equitable provision shall be substituted therefore in order to carry out, so far as may be legal, valid and enforceable, the intent and purpose of such illegal, invalid or unenforceable provision and (b) the remainder of this Agreement or such term or provision and the application of such term or provision to other Persons or circumstances shall remain in full force and effect and shall not be affected by such illegality, invalidity or unenforceability, nor shall such invalidity or unenforceability affect the legality, validity or enforceability of such term or provision, or the application thereof, in any jurisdiction.

Section 9.9 Counterparts; Facsimiles. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which taken together shall constitute one and the same agreement. All signatures of the Parties may be transmitted by facsimile or electronic delivery, and each such facsimile signature or electronic delivery signature (including a pdf signature) will, for all purposes, be deemed to be the original signature of the Party whose signature it reproduces and be binding upon such Party.

Section 9.10 Headings. The descriptive headings of the Articles, Sections and paragraphs of, and Schedules and Exhibits to, this Agreement, and the table of contents, table of Exhibits and table of Schedules contained in this Agreement, are included for convenience only, do not constitute a part of this Agreement and shall not be deemed to limit, modify or affect any of the provisions hereof.

Section 9.11 Parties in Interest. This Agreement shall be binding upon and inure solely to the benefit of each Party hereto and their respective permitted successors and

assigns; provided, that (a) for all purposes each of Sponsor, the New VEBA, and Canada shall be express third-party beneficiaries of this Agreement and (b) for purposes of **Section 2.2(a)(x)** and **(xvi)**, **Section 2.2(b)(vii)**, **Section 2.3(a)(x)**, **(xii)**, **(xiii)** and **(xv)**, **Section 2.3(b)(xv)**, **Section 4.6(b)**, **Section 4.10**, **Section 5.4(c)**, **Section 6.2(b)(x)**, **(xv)** and **(xvii)**, **Section 6.4(a)**, **Section 6.4(b)**, **Section 6.6(a)**, **(d)**, **(f)** and **(g)**, **Section 6.11(c)(i)** and **(vi)**, **Section 6.17**, **Section 7.1(a)** and **(f)**, **Section 7.2(d)** and **(e)** and **Section 7.3(g)**, **(h)** and **(i)**, the UAW shall be an express third-party beneficiary of this Agreement. Subject to the preceding sentence, nothing express or implied in this Agreement is intended or shall be construed to confer upon or give to any Person, other than the Parties, their Affiliates and their respective permitted successors or assigns, any legal or equitable Claims, benefits, rights or remedies of any nature whatsoever under or by reason of this Agreement.

Section 9.12 Governing Law. The construction, interpretation and other matters arising out of or in connection with this Agreement (whether arising in contract, tort, equity or otherwise) shall in all respects be governed by and construed (a) to the extent applicable, in accordance with the Bankruptcy Code, and (b) to the extent the Bankruptcy Code is not applicable, in accordance with the Laws of the State of New York, without giving effect to rules governing the conflict of laws.

Section 9.13 Venue and Retention of Jurisdiction. Each Party irrevocably and unconditionally submits to the exclusive jurisdiction of the Bankruptcy Court for any litigation arising out of or in connection with this Agreement and the transactions contemplated hereby (and agrees not to commence any litigation relating thereto except in the Bankruptcy Court, other than actions in any court of competent jurisdiction to enforce any judgment, decree or award rendered by any such court as described herein); provided, however, that this **Section 9.13** shall not be applicable in the event the Bankruptcy Cases have closed, in which case the Parties irrevocably and unconditionally submit to the exclusive jurisdiction of the federal courts in the Southern District of New York and state courts of the State of New York located in the Borough of Manhattan in the City of New York for any litigation arising out of or in connection with this Agreement and the transactions contemplated hereby (and agree not to commence any litigation relating thereto except in the federal courts in the Southern District of New York and state courts of the State of New York located in the Borough of Manhattan in the City of New York, other than actions in any court of competent jurisdiction to enforce any judgment, decree or award rendered by any such court as described herein).

Section 9.14 Waiver of Jury Trial. EACH PARTY WAIVES THE RIGHT TO A TRIAL BY JURY IN ANY DISPUTE IN CONNECTION WITH OR RELATING TO THIS AGREEMENT OR ANY MATTERS DESCRIBED OR CONTEMPLATED HEREIN, AND AGREES TO TAKE ANY AND ALL ACTION NECESSARY OR APPROPRIATE TO EFFECT SUCH WAIVER.

Section 9.15 Risk of Loss. Prior to the Closing, all risk of loss, damage or destruction to all or any part of the Purchased Assets shall be borne exclusively by Sellers.

Section 9.16 Enforcement of Agreement. The Parties agree that irreparable damage would occur in the event that any provision of this Agreement were not performed in accordance with its specific terms or were otherwise breached. It is accordingly agreed that the

Parties shall, without the posting of a bond, be entitled, subject to a determination by a court of competent jurisdiction, to an injunction or injunctions to prevent any such failure of performance under, or breaches of, this Agreement, and to enforce specifically the terms and provisions hereof and thereof, this being in addition to all other remedies available at law or in equity, and each Party agrees that it will not oppose the granting of such relief on the basis that the requesting Party has an adequate remedy at law.

Section 9.17 Entire Agreement. This Agreement (together with the Ancillary Agreements, the Sellers' Disclosure Schedule and the Exhibits) contains the final, exclusive and entire agreement and understanding of the Parties with respect to the subject matter hereof and thereof and supersedes all prior and contemporaneous agreements and understandings, whether written or oral, among the Parties with respect to the subject matter hereof and thereof. Neither this Agreement nor any Ancillary Agreement shall be deemed to contain or imply any restriction, covenant, representation, warranty, agreement or undertaking of any Party with respect to the transactions contemplated hereby or thereby other than those expressly set forth herein or therein, and none shall be deemed to exist or be inferred with respect to the subject matter hereof.

Section 9.18 Publicity. Prior to the first public announcement of this Agreement and the transactions contemplated hereby, Sellers, on the one hand, and Purchaser, on the other hand, shall consult with each other regarding, and share with each other copies of, their respective communications plans, including draft press releases and related materials, with regard to such announcement. Neither Sellers nor Purchaser shall issue any press release or public announcement concerning this Agreement or the transactions contemplated hereby without obtaining the prior written approval of the other Party or Parties, as applicable, which approval shall not be unreasonably withheld, conditioned or delayed, unless, in the sole judgment of the Party intending to make such release, disclosure is otherwise required by applicable Law, or by the Bankruptcy Court with respect to filings to be made with the Bankruptcy Court in connection with this Agreement or by the applicable rules of any stock exchange on which Purchaser or Sellers list securities; provided, that the Party intending to make such release shall use reasonable best efforts consistent with such applicable Law or Bankruptcy Court requirement to consult with the other Party or Parties, as applicable, with respect to the text thereof; provided, further, that, notwithstanding anything to the contrary contained in this section, no Party shall be prohibited from publishing, disseminating or otherwise making public, without the prior written approval of the other Party or Parties, as applicable, any materials that are derived from or consistent with the materials included in the communications plan referred to above. In an effort to coordinate consistent communications, the Parties shall agree upon procedures relating to all press releases and public announcements concerning this Agreement and the transactions contemplated hereby.

Section 9.19 No Successor or Transferee Liability. Except where expressly prohibited under applicable Law or otherwise expressly ordered by the Bankruptcy Court, upon the Closing, neither Purchaser nor any of its Affiliates or stockholders shall be deemed to (a) be the successor of Sellers; (b) have, de facto, or otherwise, merged with or into Sellers; (c) be a mere continuation or substantial continuation of Sellers or the enterprise(s) of Sellers; or (d) other than as set forth in this Agreement, be liable for any acts or omissions of Sellers in the conduct of Sellers' business or arising under or related to the Purchased Assets. Without limiting

the generality of the foregoing, and except as otherwise provided in this Agreement, neither Purchaser nor any of its Affiliates or stockholders shall be liable for any Claims against Sellers or any of their predecessors or Affiliates, and neither Purchaser nor any of its Affiliates or stockholders shall have any successor, transferee or vicarious Liability of any kind or character whether known or unknown as of the Closing, whether now existing or hereafter arising, or whether fixed or contingent, with respect to Sellers' business or any obligations of Sellers arising prior to the Closing, except as provided in this Agreement, including Liabilities on account of any Taxes arising, accruing, or payable under, out of, in connection with, or in any way relating to the operation of Sellers' business prior to the Closing.

Section 9.20 Time Periods. Unless otherwise specified in this Agreement, an action required under this Agreement to be taken within a certain number of days or any other time period specified herein shall be taken within the applicable number of calendar days (and not Business Days); provided, however, that if the last day for taking such action falls on a day that is not a Business Day, the period during which such action may be taken shall be automatically extended to the next Business Day.

Section 9.21 Sellers' Disclosure Schedule. The representations and warranties of Sellers set forth in this Agreement are made and given subject to the disclosures contained in the Sellers' Disclosure Schedule. Inclusion of information in the Sellers' Disclosure Schedule shall not be construed as an admission that such information is material to the business, operations or condition of the business of Sellers, the Purchased Assets or the Assumed Liabilities, taken in part or as a whole, or as an admission of Liability of any Seller to any third party. The specific disclosures set forth in the Sellers' Disclosure Schedule have been organized to correspond to Section references in this Agreement to which the disclosure may be most likely to relate; provided, however, that any disclosure in the Sellers' Disclosure Schedule shall apply to, and shall be deemed to be disclosed for, any other Section of this Agreement to the extent the relevance of such disclosure to such other Section is reasonably apparent on its face.

Section 9.22 No Binding Effect. Notwithstanding anything in this Agreement to the contrary, no provision of this Agreement shall (i) be binding on or create any obligation on the part of Sponsor, the United States Government or any branch, agency or political subdivision thereof (a "Sponsor Affiliate") or the Government of Canada, or any crown corporation, agency or department thereof (a "Canada Affiliate") or (ii) require Purchaser to initiate any Claim or other action against Sponsor or any Sponsor Affiliate or otherwise attempt to cause Sponsor, any Sponsor Affiliate, Government of Canada or any Canada Affiliate to comply with or abide by the terms of this Agreement. No facts, materials or other information received or action taken by any Person who is an officer, director or agent of Purchaser by virtue of such Person's affiliation with or employment by Sponsor, any Sponsor Affiliate, Government of Canada or any Canada Affiliate shall be attributed to Purchaser for purposes of this Agreement or shall form the basis of any claim against such Person in their individual capacity.

[Remainder of the page left intentionally blank]

IN WITNESS WHEREOF, each of the Parties hereto has caused this Agreement to be executed by its duly authorized officer, in each case as of the date first written above.

GENERAL MOTORS CORPORATION

By: _____
Name: Frederick A. Henderson
Title: President and Chief Executive Officer

SATURN LLC

By: _____
Name: Jill Lajdziak
Title: President

SATURN DISTRIBUTION CORPORATION

By: _____
Name: Jill Lajdziak
Title: President

CHEVROLET-SATURN OF HARLEM, INC.

By: _____
Name: Michael Garrick
Title: President

NGMCO, INC.

By: _____
Name: Sadiq A. Malik
Title: Vice President and Treasurer

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FIRST AMENDMENT TO AMENDED AND RESTATED MASTER SALE AND PURCHASE AGREEMENT

THIS FIRST AMENDMENT TO AMENDED AND RESTATED MASTER SALE AND PURCHASE AGREEMENT, dated as of June 30, 2009 (this "Amendment"), is made by and among General Motors Corporation, a Delaware corporation ("Parent"), Saturn LLC, a Delaware limited liability company ("S LLC"), Saturn Distribution Corporation, a Delaware corporation ("S Distribution"), Chevrolet-Saturn of Harlem, Inc., a Delaware corporation ("Harlem," and collectively with Parent, S LLC and S Distribution, "Sellers," and each a "Seller"), and NGMCO, Inc., a Delaware corporation and successor-in-interest to Vehicle Acquisition Holdings LLC, a Delaware limited liability company ("Purchaser").

WHEREAS, Sellers and Purchaser have entered into that certain Amended and Restated Master Sale and Purchase Agreement, dated as of June 26, 2009 (the "Purchase Agreement"); and

WHEREAS, the Parties desire to amend the Purchase Agreement as set forth herein.

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements contained in this Agreement, and for other good and valuable consideration, the value, receipt and sufficiency of which are acknowledged, the Parties hereby agree as follows:

Section 1. *Capitalized Terms.* All capitalized terms used but not defined herein shall have the meanings specified in the Purchase Agreement.

Section 2. *Amendments to Purchase Agreement.*

(a) **Section 2.3(a)(v)** of the Purchase Agreement is hereby amended and restated in its entirety to read as follows:

> (v) all Liabilities of Sellers (A) arising in the Ordinary Course of Business during the Bankruptcy Cases through and including the Closing Date, to the extent such Liabilities are administrative expenses of Sellers' estates pursuant to Section 503(b) of the Bankruptcy Code and (B) arising prior to the commencement of the Bankruptcy Cases, to the extent approved by the Bankruptcy Court for payment by Sellers pursuant to a Final Order (and for the avoidance of doubt, Sellers' Liabilities in clauses (A) and (B) above include all of Sellers' Liabilities for personal property Taxes, real estate and/or other ad valorem Taxes, use Taxes, sales Taxes, franchise Taxes, income Taxes, gross receipt Taxes, excise Taxes, Michigan Business Taxes and Michigan Single Business Taxes and other Liabilities mentioned in the Bankruptcy Court's Order - Docket No. 174), in each case, other than (1) Liabilities of the type described in **Section 2.3(b)(iv)**, **Section 2.3(b)(vi)**, **Section 2.3(b)(ix)** and **Section 2.3(b)(xii)**, (2) Liabilities arising under any dealer sales and service Contract and any Contract related thereto, to the extent such Contract has been designated as

a Rejectable Executory Contract, and (3) Liabilities otherwise assumed in this **Section 2.3(a)**;

(b) **Section 2.3(a)(ix)** of the Purchase Agreement is hereby amended and restated in its entirety to read as follows:

> (ix) all Liabilities to third parties for death, personal injury, or other injury to Persons or damage to property caused by motor vehicles designed for operation on public roadways or by the component parts of such motor vehicles and, in each case, manufactured, sold or delivered by Sellers (collectively, "Product Liabilities"), which arise directly out of death, personal injury or other injury to Persons or damage to property caused by accidents or incidents first occurring on or after the Closing Date and arising from such motor vehicles' operation or performance (for avoidance of doubt, Purchaser shall not assume, or become liable to pay, perform or discharge, any Liability arising or contended to arise by reason of exposure to materials utilized in the assembly or fabrication of motor vehicles manufactured by Sellers and delivered prior to the Closing Date, including asbestos, silicates or fluids, regardless of when such alleged exposure occurs);

(c) **Section 2.3(b)(xii)** of the Purchase Agreement is hereby amended and restated in its entirety to read as follows:

> (xii) all workers' compensation Claims with respect to Employees residing or employed in, as the case may be and as defined by applicable Law, (A) the states set forth on **Exhibit G** and (B) if the State of Michigan (1) fails to authorize Purchaser and its Affiliates operating within the State of Michigan to be a self-insurer for purposes of administering workers' compensation Claims or (2) requires Purchaser and its Affiliates operating within the State of Michigan to post collateral, bonds or other forms of security to secure workers' compensation Claims, the State of Michigan (collectively, "Retained Workers' Compensation Claims");

(d) **Section 6.6(d)** of the Purchase Agreement is hereby amended and restated in its entirety to read as follows:

> (d) All Assumable Executory Contracts shall be assumed and assigned to Purchaser on the date (the "Assumption Effective Date") that is the later of (i) the date designated by the Purchaser and (ii) the date following expiration of the objection deadline if no objection, other than to the Cure Amount, has been timely filed or the date of resolution of any objection unrelated to Cure Amount, as provided in the Sale Procedures Order; provided, however, that in the case of each (A) Assumable Executory Contract identified on Section 6.6(a)(i) of the Sellers' Disclosure Schedule, (2) Deferred Termination Agreement (and the related Discontinued Brand Dealer Agreement or Continuing Brand Dealer Agreement)

designated as an Assumable Executory Contract and (3) Participation Agreement (and the related Continuing Brand Dealer Agreement) designated as an Assumable Executory Contract, the Assumption Effective Date shall be the Closing Date and (B) Assumable Executory Contract identified on Section 6.6(a)(ii) of the Sellers' Disclosure Schedule, the Assumption Effective Date shall be a date that is no later than the date set forth with respect to such Executory Contract on Section 6.6(a)(ii) of the Sellers' Disclosure Schedule. As soon as reasonably practicable following a determination that an Executory Contract shall be designated as an Assumable Executory Contract hereunder, Sellers shall use reasonable best efforts to notify each third party to such Executory Contract of their intention to assume and assign such Executory Contract in accordance with the terms of this Agreement and the Sale Procedures Order. On the Assumption Effective Date for any Assumable Executory Contract, such Assumable Executory Contract shall be deemed to be a Purchased Contract hereunder. If it is determined under the procedures set forth in the Sale Procedures Order that Sellers may not assume and assign to Purchaser any Assumable Executory Contract, such Executory Contract shall cease to be an Assumable Executory Contract and shall be an Excluded Contract and a Rejectable Executory Contract. Except as provided in **Section 6.31**, notwithstanding anything else to the contrary herein, any Executory Contract that has not been specifically designated as an Assumable Executory Contract as of the Executory Contract Designation Deadline applicable to such Executory Contract, including any Deferred Executory Contract, shall automatically be deemed to be a Rejectable Executory Contract and an Excluded Contract hereunder. Sellers shall have the right, but not the obligation, to reject, at any time, any Rejectable Executory Contract; provided, however, that Sellers shall not reject any Contract that affects both Owned Real Property and Excluded Real Property (whether designated on **Exhibit F** or now or hereafter designated on Section 2.2(b)(v) of the Sellers' Disclosure Schedule), including any such Executory Contract that involves the provision of water, water treatment, electric, fuel, gas, telephone and other utilities to any facilities located at the Excluded Real Property, whether designated on **Exhibit F** or now or hereafter designated on Section 2.2(b)(v) of the Sellers' Disclosure Schedule (the "Shared Executory Contracts"), without the prior written consent of Purchaser.

Section 3. Effectiveness of Amendment. Upon the execution and delivery hereof, the Purchase Agreement shall thereupon be deemed to be amended and restated as set forth in Section 2, as fully and with the same effect as if such amendments and restatements were originally set forth in the Purchase Agreement.

Section 4. Ratification of Purchase Agreement; Incorporation by Reference. Except as specifically provided for in this Amendment, the Purchase Agreement is hereby confirmed and ratified in all respects and shall be and remain in full force and effect in accordance with its terms. This Amendment is subject to all of the terms, conditions and limitations set forth in the Purchase Agreement, including **Article IX** thereof, which sections are hereby incorporated into this Amendment, mutatis mutandis, as if they were set forth in their entirety herein.

Section 5. *Counterparts.* This Amendment may be executed in one or more counterparts, each of which shall be deemed an original, and all of which taken together shall constitute one and the same agreement. All signatures of the Parties may be transmitted by facsimile or electronic delivery, and each such facsimile signature or electronic delivery signature (including a pdf signature) will, for all purposes, be deemed to be the original signature of the Party whose signature it reproduces and be binding upon such Party.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, each of the Parties hereto has caused this Amendment to be executed by its duly authorized officer, in each case as of the date first written above.

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By: _____
Name: Jill Lajdziak
Title: President

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CHEVROLET-SATURN OF HARLEM, INC.

By: _____
Name: Michael Garrick
Title: President

NGMCO, INC.

By: _____
Name: Sadiq Malik
Title: Vice President and Treasurer

IN WITNESS WHEREOF, each of the Parties hereto has caused this Amendment to be executed by its duly authorized officer, in each case as of the date first written above.

GENERAL MOTORS CORPORATION

By: _____
Name: Frederick A. Henderson
Title: President and Chief Executive Officer

SATURN LLC

By: _____
Name: Jill Lajdziak
Title: President

SATURN DISTRIBUTION CORPORATION

By: _____
Name: Jill Lajdziak
Title: President

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SECOND AMENDMENT TO AMENDED AND RESTATED MASTER SALE AND PURCHASE AGREEMENT

THIS SECOND AMENDMENT TO AMENDED AND RESTATED MASTER SALE AND PURCHASE AGREEMENT, dated as of July 5, 2009 (this "Amendment"), is made by and among General Motors Corporation, a Delaware corporation ("Parent"), Saturn LLC, a Delaware limited liability company ("S LLC"), Saturn Distribution Corporation, a Delaware corporation ("S Distribution"), Chevrolet-Saturn of Harlem, Inc., a Delaware corporation ("Harlem," and collectively with Parent, S LLC and S Distribution, "Sellers," and each a "Seller"), and NGMCO, Inc., a Delaware corporation and successor-in-interest to Vehicle Acquisition Holdings LLC, a Delaware limited liability company ("Purchaser").

WHEREAS, Sellers and Purchaser have entered into that certain Amended and Restated Master Sale and Purchase Agreement, dated as of June 26, 2009 (as amended, the "Purchase Agreement");

WHEREAS, Sellers and Purchaser have entered into that certain First Amendment to Amended and Restated Master and Purchase Agreement; and

WHEREAS, the Parties desire to amend the Purchase Agreement as set forth herein.

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements contained in this Agreement, and for other good and valuable consideration, the value, receipt and sufficiency of which are acknowledged, the Parties hereby agree as follows:

Section 1. *Capitalized Terms.* All capitalized terms used but not defined herein shall have the meanings specified in the Purchase Agreement.

Section 2. *Amendments to Purchase Agreement.*

(a) The following new definition of "Advanced Technology Credits" is hereby included in **Section 1.1** of the Purchase Agreement:

> "Advanced Technology Credits" has the meaning set forth in **Section 6.36**.

(b) The following new definition of "Advanced Technology Projects" is hereby included in **Section 1.1** of the Purchase Agreement:

> "Advanced Technology Projects" means development, design, engineering and production of advanced technology vehicles and components, including the vehicles known as "the Volt", "the Cruze" and components, transmissions and systems for vehicles employing hybrid technologies.

(c) The definition of "Ancillary Agreements" is hereby amended and restated in its entirety to read as follows:

"Ancillary Agreements" means the Parent Warrants, the UAW Active Labor Modifications, the UAW Retiree Settlement Agreement, the VEBA Warrant, the Equity Registration Rights Agreement, the Bill of Sale, the Assignment and Assumption Agreement, the Intellectual Property Assignment Agreement, the Transition Services Agreement, the Quitclaim Deeds, the Assignment and Assumption of Real Property Leases, the Assignment and Assumption of Harlem Lease, the Master Lease Agreement, the Subdivision Master Lease (if required), the Saginaw Service Contracts (if required), the Assignment and Assumption of Willow Run Lease, the Ren Cen Lease, the VEBA Note and each other agreement or document executed by the Parties pursuant to this Agreement or any of the foregoing and each certificate and other document to be delivered by the Parties pursuant to **ARTICLE VII**.

(d) The following new definition of "Excess Estimated Unsecured Claim Amount" is hereby included in **Section 1.1** of the Purchase Agreement:

"Excess Estimated Unsecured Claim Amount" has the meaning set forth in **Section 3.2(c)(i)**.

(e) The definition of "Permitted Encumbrances" is hereby amended and restated in its entirety to read as follows:

"Permitted Encumbrances" means all (i) purchase money security interests arising in the Ordinary Course of Business; (ii) security interests relating to progress payments created or arising pursuant to government Contracts in the Ordinary Course of Business; (iii) security interests relating to vendor tooling arising in the Ordinary Course of Business; (iv) Encumbrances that have been or may be created by or with the written consent of Purchaser; (v) mechanic's, materialmen's, laborer's, workmen's, repairmen's, carrier's liens and other similar Encumbrances arising by operation of law or statute in the Ordinary Course of Business for amounts that are not delinquent or that are being contested in good faith by appropriate proceedings; (vi) liens for Taxes, the validity or amount of which is being contested in good faith by appropriate proceedings, and statutory liens for current Taxes not yet due, payable or delinquent (or which may be paid without interest or penalties); (vii) with respect to the Transferred Real Property that is Owned Real Property, other than Secured Real Property Encumbrances at and following the Closing: (a) matters that a current ALTA/ACSM survey, or a similar cadastral survey in any country other than the United States, would disclose, the existence of which, individually or in the aggregate, would not materially and adversely interfere with the present use of the affected property; (b) rights of the public, any Governmental Authority and adjoining property owners in streets and highways abutting or adjacent to the applicable Owned Real Property; (c) easements, licenses, rights-of-way, covenants, servitudes, restrictions, encroachments, site plans, subdivision plans and other Encumbrances of public record or that would be disclosed by a current title commitment of the applicable Owned Real Property, which, individually or in the aggregate, would not materially and adversely interfere with the present use

of the applicable Owned Real Property; and (d) such other Encumbrances, the existence of which, individually or in the aggregate, would not materially and adversely interfere with or affect the present use or occupancy of the applicable Owned Real Property; (viii) with respect to the Transferred Real Property that is Leased Real Property: (1) matters that a current ALTA/ACSM survey, or a similar cadastral survey in any country other than the United States, would disclose; (2) rights of the public, any Governmental Authority and adjoining property owners in streets and highways abutting or adjacent to the applicable Leased Real Property; (3) easements, licenses, rights-of-way, covenants, servitudes, restrictions, encroachments, site plans, subdivision plans and other Encumbrances of public record or that would be disclosed by a current title commitment of the applicable Leased Real Property or which have otherwise been imposed on such property by landlords; (ix) in the case of the Transferred Equity Interests, all restrictions and obligations contained in any Organizational Document, joint venture agreement, shareholders agreement, voting agreement and related documents and agreements, in each case, affecting the Transferred Equity Interests; (x) except to the extent otherwise agreed to in the Ratification Agreement entered into by Sellers and GMAC on June 1, 2009 and approved by the Bankruptcy Court on the date thereof or any other written agreement between GMAC or any of its Subsidiaries and any Seller, all Claims (in each case solely to the extent such Claims constitute Encumbrances) and Encumbrances in favor of GMAC or any of its Subsidiaries in, upon or with respect to any property of Sellers or in which Sellers have an interest, including any of the following: (1) cash, deposits, certificates of deposit, deposit accounts, escrow funds, surety bonds, letters of credit and similar agreements and instruments; (2) owned or leased equipment; (3) owned or leased real property; (4) motor vehicles, inventory, equipment, statements of origin, certificates of title, accounts, chattel paper, general intangibles, documents and instruments of dealers, including property of dealers in-transit to, surrendered or returned by or repossessed from dealers or otherwise in any Seller's possession or under its control; (5) property securing obligations of Sellers under derivatives Contracts; (6) rights or property with respect to which a Claim or Encumbrance in favor of GMAC or any of its Subsidiaries is disclosed in any filing made by Parent with the SEC (including any filed exhibit); and (7) supporting obligations, insurance rights and Claims against third parties relating to the foregoing; and (xi) all rights of setoff and/or recoupment that are Encumbrances in favor of GMAC and/or its Subsidiaries against amounts owed to Sellers and/or any of their Subsidiaries with respect to any property of Sellers or in which Sellers have an interest as more fully described in clause (x) above; it being understood that nothing in this clause (xi) or preceding clause (x) shall be deemed to modify, amend or otherwise change any agreement as between GMAC or any of its Subsidiaries and any Seller.

(f) The following new definition of "Purchaser Escrow Funds" is hereby included in **Section 1.1** of the Purchase Agreement:

"Purchaser Escrow Funds" has the meaning set forth in **Section 2.2(a)(xx)**.

(g) **Section 2.2(a)(xii)** of the Purchase Agreement is hereby amended and restated in its entirety to read as follows:

> (xii) all credits, Advanced Technology Credits, deferred charges, prepaid expenses, deposits, advances, warranties, rights, guarantees, surety bonds, letters of credit, trust arrangements and other similar financial arrangements, in each case, relating to the Purchased Assets or Assumed Liabilities, including all warranties, rights and guarantees (whether express or implied) made by suppliers, manufacturers, contractors and other third parties under or in connection with the Purchased Contracts;

(h) **Section 2.2(a)(xviii)** of the Purchase Agreement is hereby amended and restated in its entirety to read as follows:

> (xviii) any rights of any Seller, Subsidiary of any Seller or Seller Group member to any Tax refunds, credits or abatements that relate to any Pre-Closing Tax Period or Straddle Period;

(i) **Section 2.2(a)(xix)** of the Purchase Agreement is hereby amended and restated in its entirety to read as follows:

> (xix) any interest in Excluded Insurance Policies, only to the extent such interest relates to any Purchased Asset or Assumed Liability; and

(j) A new **Section 2.2(a)(xx)** is hereby added to the Purchase Agreement to read as follows:

> (xx) all cash and cash equivalents, including all marketable securities, held in (1) escrow pursuant to, or as contemplated by that certain letter agreement dated as of June 30, 2009, by and between Parent, Citicorp USA, Inc., as Bank Representative, and Citibank, N.A., as Escrow Agent or (2) any escrow established in contemplation or for the purpose of the Closing, that would otherwise constitute a Purchased Asset pursuant to **Section 2.2(a)(i)** (collectively, "Purchaser Escrow Funds");

(k) **Section 2.2(b)(i)** of the Purchase Agreement is hereby amended and restated in its entirety to read as follows:

> (i) cash or cash equivalents in an amount equal to $1,175,000,000 (the "Excluded Cash");

(l) **Section 2.2(b)(ii)** of the Purchase Agreement is hereby amended and restated in its entirety to read as follows:

> (ii) all Restricted Cash exclusively relating to the Excluded Assets or Retained Liabilities, which for the avoidance of doubt, shall not be deemed to include Purchaser Escrow Funds;

(m) **Section 2.3(a)(viii)** of the Purchase Agreement is hereby amended and restated in its entirety to read as follows:

> (viii) all Liabilities arising under any Environmental Law (A) relating to the Transferred Real Property, other than those Liabilities described in **Section 2.3(b)(iv)**, (B) resulting from Purchaser's ownership or operation of the Transferred Real Property after the Closing or (C) relating to Purchaser's failure to comply with Environmental Laws after the Closing;

(n) **Section 2.3(a)(xii)** of the Purchase Agreement is hereby amended and restated in its entirety to read as follows:

> (xii) all Liabilities (A) specifically assumed by Purchaser pursuant to **Section 6.17** or (B) arising out of, relating to or in connection with the salaries and/or wages and vacation of all Transferred Employees that are accrued and unpaid (or with respect to vacation, unused) as of the Closing Date;

(o) **Section 2.3(b)(iv)** of the Purchase Agreement is hereby amended and restated in its entirety to read as follows:

> (iv) all Liabilities (A) associated with noncompliance with Environmental Laws (including for fines, penalties, damages and remedies); (B) arising out of, relating to, in respect of or in connection with the transportation, off-site storage or off-site disposal of any Hazardous Materials generated or located at any Transferred Real Property; (C) arising out of, relating to, in respect of or in connection with third party Claims related to Hazardous Materials that were or are located at or that were Released into the Environment from Transferred Real Property prior to the Closing, except as otherwise required under applicable Environmental Laws; (D) arising under Environmental Laws related to the Excluded Real Property, except as provided under Section 18.2(e) of the Master Lease Agreement or as provided under the "Facility Idling Process" section of Schedule A of the Transition Services Agreement; or (E) for environmental Liabilities with respect to real property formerly owned, operated or leased by Sellers (as of the Closing), which, in the case of clauses (A), (B) and (C), arose prior to or at the Closing, and which, in the case of clause (D) and (E), arise prior to, at or after the Closing;

(p) **Section 2.3(b)(xii)** of the Purchase Agreement is hereby amended and restated in its entirety to read as follows:

> (xii) all workers' compensation Claims with respect to Employees residing or employed in, as the case may be and as defined by applicable Law, the states set forth on **Exhibit G** (collectively, "Retained Workers' Compensation Claims");

(q) **Section 3.2(a)** of the Purchase Agreement is hereby amended and restated in its entirety to read as follows:

(a) The purchase price (the "Purchase Price") shall be equal to the sum of:

(i) a Bankruptcy Code Section 363(k) credit bid in an amount equal to: (A) the amount of Indebtedness of Parent and its Subsidiaries as of the Closing pursuant to the UST Credit Facilities, and (B) the amount of Indebtedness of Parent and its Subsidiaries as of the Closing under the DIP Facility, less $8,247,488,605 of Indebtedness under the DIP Facility (such amount, the "UST Credit Bid Amount");

(ii) the UST Warrant (which the Parties agree has a value of no less than $1,000);

(iii) the valid issuance by Purchaser to Parent of (A) 50,000,000 shares of Common Stock (collectively, the "Parent Shares") and (B) the Parent Warrants; and

(iv) the assumption by Purchaser or its designated Subsidiaries of the Assumed Liabilities.

For the avoidance of doubt, immediately following the Closing, the only indebtedness for borrowed money (or any guarantees thereof) of Sellers and their Subsidiaries to Sponsor, Canada and Export Development Canada is amounts under the Wind Down Facility.

(r) **Section 3.2(c)** of the Purchase Agreement is hereby amended and restated in its entirety to read as follows:

(c)

(i) Sellers may, at any time, seek an Order of the Bankruptcy Court (the "Claims Estimate Order"), which Order may be the Order confirming Sellers' Chapter 11 plan, estimating the aggregate allowed general unsecured claims against Sellers' estates. If in the Claims Estimate Order, the Bankruptcy Court makes a finding that the estimated aggregate allowed general unsecured claims against Sellers' estates exceed $35,000,000,000, then Purchaser will, within five (5) Business Days of entry of the Claims Estimate Order, issue additional shares of Common Stock (the "Adjustment Shares") to Parent, as an adjustment to the Purchase Price, based on the extent by which such estimated aggregate general unsecured claims exceed $35,000,000,000 (such amount, the "Excess Estimated Unsecured Claim Amount;" in the event this amount exceeds $7,000,000,000 the Excess Estimated Unsecured Claim Amount will be reduced to a cap of $7,000,000,000). The number of Adjustment Shares to be issued will be equal to the number of shares, rounded up to the next whole share, calculated by multiplying (i) 10,000,000 shares of Common Stock (adjusted to take into account any stock dividend, stock split, combination of shares, recapitalization, merger, consolidation, reorganization or similar transaction with respect to the

Common Stock, effected from and after the Closing and before issuance of the Adjustment Shares) and (ii) a fraction, (A) the numerator of which is Excess Estimated Unsecured Claim Amount (capped at $7,000,000,000) and (B) the denominator of which is $7,000,000,000.

(ii) At the Closing, Purchaser will have authorized and, thereafter, will reserve for issuance the maximum number of shares of Common Stock issuable as Adjustment Shares.

(s) **Section 6.9(b)** of the Purchase Agreement is hereby amended and restated in its entirety to read as follows:

(b) Sellers shall use reasonable best efforts to agree with Sponsor on the terms of a restructuring of $1,175,000,000 of Indebtedness accrued under the DIP Facility (as restructured, the "Wind Down Facility") to provide for such Wind Down Facility to be non-recourse, to accrue payment-in-kind interest at the Eurodollar Rate (as defined in the Wind-Down Facility) plus 300 basis points, to be secured by all assets of Sellers (other than the Parent Shares, Adjustment Shares, Parent Warrants and any securities or proceeds received in respect thereof). Sellers shall use reasonable best efforts to enter into definitive financing agreements with respect to the Wind Down Facility so that such agreements are in effect as promptly as practicable but in any event no later than the Closing.

(t) **Section 6.17(e)** of the Purchase Agreement is hereby amended and restated in its entirety to read as follows:

(e) *Assumption of Certain Parent Employee Benefit Plans and Policies*. As of the Closing Date, Purchaser or one of its Affiliates shall assume (i) the Parent Employee Benefit Plans and Policies set forth on Section 6.17(e) of the Sellers' Disclosure Schedule as modified thereon, and all assets, trusts, insurance policies and other Contracts relating thereto, except for any that do not comply in all respects with TARP or as otherwise provided in **Section 6.17(h)** and (ii) all employee benefit plans, programs, policies, agreements or arrangements (whether written or oral) in which Employees who are covered by the UAW Collective Bargaining Agreement participate and all assets, trusts, insurance and other Contracts relating thereto (collectively, the "Assumed Plans"), and Sellers and Purchaser shall cooperate with each other to take all actions and execute and deliver all documents and furnish all notices necessary to establish Purchaser or one of its Affiliates as the sponsor of such Assumed Plans including all assets, trusts, insurance policies and other Contracts relating thereto. Other than with respect to any Employee who was or is covered by the UAW Collective Bargaining Agreement, Purchaser shall have no Liability with respect to any modifications or changes to Benefit Plans contemplated by Section 6.17(e) of the Sellers' Disclosure Schedule, or changes made by Parent prior to the Closing Date, and Purchaser shall not assume any Liability with respect to any such decisions or actions related thereto, and Purchaser shall only assume the Liabilities for benefits provided pursuant to the written terms and conditions of

the Assumed Plan as of the Closing Date. Notwithstanding the foregoing, the assumption of the Assumed Plans is subject to Purchaser taking all necessary action, including reduction of benefits, to ensure that the Assumed Plans comply in all respects with TARP. Notwithstanding the foregoing, but subject to the terms of any Collective Bargaining Agreement to which Purchaser or one of its Affiliates is a party, Purchaser and its Affiliates may, in its sole discretion, amend, suspend or terminate any such Assumed Plan at any time in accordance with its terms.

(u) A new **Section 6.17(n)** is hereby added to the Purchase Agreement to read as follows:

(n) *Harlem Employees*. With respect to non-UAW employees of Harlem, Purchaser or one of its Affiliates may make offers of employment to such individuals at its discretion. With respect to UAW-represented employees of Harlem and such other non-UAW employees who accept offers of employment with Purchaser or one of its Affiliates, in addition to obligations under the UAW Collective Bargaining Agreement with respect to UAW-represented employees, Purchaser shall assume all Liabilities arising out of, relating to or in connection with the salaries and/or wages and vacation of all such individuals that are accrued and unpaid (or with respect to vacation, unused) as of the Closing Date. With respect to non-UAW employees of Harlem who accept such offers of employment, Purchaser or one of its Affiliates shall take all actions necessary such that such individuals shall be credited for their actual and credited service with Sellers and each of their respective Affiliates, for purposes of eligibility, vesting and benefit accrual in any employee benefit plans (excluding equity compensation plans or programs) covering such individuals after the Closing; provided, however, that such crediting of service shall not operate to duplicate any benefit to any such individual or the funding for any such benefit. Purchaser or one of its Affiliates, in its sole discretion, may assume certain employee benefit plans maintained by Harlem by delivering written notice (which such notice shall indentify such employee benefit plans of Harlem to be assumed) to Sellers of such assumption on or before the Closing, and upon delivery of such notice, such employee benefit plans shall automatically be deemed to be set forth on Section 6.17(e) of the Sellers' Disclosure Schedules. All such employee benefit plans that are assumed by Purchaser or one of its Affiliates pursuant to the preceding sentence shall be deemed to be Assumed Plans for purposes of this Agreement.

(v) A new **Section 6.36** is hereby added to the Purchase Agreement to read as follows:

Section 6.36 Advanced Technology Credits. The Parties agree that Purchaser shall, to the extent permissible by applicable Law (including all rules, regulations and policies pertaining to Advanced Technology Projects), be entitled to receive full credit for expenditures incurred by Sellers prior to the Closing towards Advanced Technology Projects for the purpose of any current or future program sponsored by a Governmental Authority providing financial assistance in

connection with any such project, including any program pursuant to Section 136 of the Energy Independence and Security Act of 2007 ("Advanced Technology Credits"), and acknowledge that the Purchase Price includes and represents consideration for the full value of such expenditures incurred by Sellers.

(w) **Section 7.2(c)(vi)** of the Purchase Agreement is hereby amended and restated in its entirety to read as follows:

(vi) *[Reserved]*;

(x) **Section 7.2(c)(vii)** of the Purchase Agreement is hereby amended and restated in its entirety to read as follows:

(vii) *[Reserved]*;

(y) **Section 7.3(c)(viii)** of the Purchase Agreement is hereby amended and restated in its entirety to read as follows:

(viii) *[Reserved]*;

(z) **Section 7.3(c)(ix)** of the Purchase Agreement is hereby amended and restated in its entirety to read as follows:

(ix) *[Reserved]*;

(aa) **Section 7.3(f)** of the Purchase Agreement is hereby amended and restated in its entirety to read as follows:

(f) Purchaser shall have (i) offset the UST Credit Bid Amount against the amount of Indebtedness of Parent and its Subsidiaries owed to Purchaser as of the Closing under the UST Credit Facilities and the DIP Facility pursuant to a Bankruptcy Code Section 363(k) credit bid and delivered releases and waivers and related Encumbrance-release documentation (including, if applicable, UCC-3 termination statements) with respect to the UST Credit Bid Amount, in a form reasonably satisfactory to the Parties and duly executed by Purchaser in accordance with the applicable requirements in effect on the date hereof, (ii) transferred to Sellers the UST Warrant and (iii) issued to Parent, in accordance with instructions provided by Parent, the Purchaser Shares and the Parent Warrants (duly executed by Purchaser).

(bb) **Exhibit R** to the Purchase Agreement is hereby deleted in its entirety.

(cc) **Exhibit S** to the Purchase Agreement is hereby deleted in its entirety.

(dd) **Exhibit U** to the Purchase Agreement is hereby replaced in its entirety with **Exhibit U** attached hereto.

(ee) **Exhibit X** to the Purchase Agreement is hereby replaced in its entirety with **Exhibit X** attached hereto.

(ff) Section 2.2(b)(iv) of the Sellers' Disclosure Schedule is hereby replaced in its entirety with Section 2.2(b)(iv) of the Sellers' Disclosure Schedule attached hereto.

(gg) Section 4.4 of the Sellers' Disclosure Schedule is hereby replaced in its entirety with Section 4.4 of the Sellers' Disclosure Schedule attached hereto.

(hh) Section 6.6(a)(i) of the Sellers' Disclosure Schedule is hereby replaced in its entirety with Section 6.6(a)(i) of the Sellers' Disclosure Schedule attached hereto.

Section 3. *Effectiveness of Amendment.* Upon the execution and delivery hereof, the Purchase Agreement shall thereupon be deemed to be amended and restated as set forth in Section 2, as fully and with the same effect as if such amendments and restatements were originally set forth in the Purchase Agreement.

Section 4. *Ratification of Purchase Agreement; Incorporation by Reference.* Except as specifically provided for in this Amendment, the Purchase Agreement is hereby confirmed and ratified in all respects and shall be and remain in full force and effect in accordance with its terms. This Amendment is subject to all of the terms, conditions and limitations set forth in the Purchase Agreement, including **Article IX** thereof, which sections are hereby incorporated into this Amendment, mutatis mutandis, as if they were set forth in their entirety herein.

Section 5. *Counterparts.* This Amendment may be executed in one or more counterparts, each of which shall be deemed an original, and all of which taken together shall constitute one and the same agreement. All signatures of the Parties may be transmitted by facsimile or electronic delivery, and each such facsimile signature or electronic delivery signature (including a pdf signature) will, for all purposes, be deemed to be the original signature of the Party whose signature it reproduces and be binding upon such Party.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, each of the Parties hereto has caused this Amendment to be executed by its duly authorized officer, in each case as of the date first written above.

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By: _____
Name: Frederick A. Henderson
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EXHIBIT C

LEV L. DASSIN
Acting United States Attorney for the
Southern District of New York
By: DAVID S. JONES
JEFFREY S. OESTERICHER
MATTHEW L. SCHWARTZ
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- and -

John J. Rapisardi
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One World Financial Center
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Facsimile: (212) 504-6666

Hearing Date: June 30, 2009
Hearing Time: 9:00 AM

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	::	Chapter 11 Case No.
GENERAL MOTORS CORP., *et al.*,	::	09-50026 (REG)
Debtors.	::	(Jointly Administered)

DECLARATION OF HARRY WILSON

1. I am an employee of the United States Department of the Treasury ("Treasury"), and serve as a senior member of the working group (the "Auto Team") implementing the policies of the Presidential Task Force on the Auto Industry, an inter-agency task force created at the direction of the President of the United States earlier this year. I have served in this role since March 2009. Prior to this, I did not have public sector experience. I

received the opportunity to join the Auto Team after I sent an e-mail detailing my background to a prospective advisor to the Auto Team. I had decided to consider a potential position on the Auto Team because I felt the massive dislocation in the U.S. automotive industry created an important public policy matter and because I felt my private sector experience and skills could be a valuable addition to a team seeking to address these issues. I do not anticipate remaining with Treasury after the Auto Team's work is complete.

2. I submit this declaration in support of General Motors' ("GM's") *Motion for Sale of Property under Section 363(b) / Debtors' Motion Pursuant to 11 U.S.C. §§ 105, 363(b), (f), (k), and (m), and 365 and Fed. R. Bankr. P. 2002, 6004, and 6006, to (I) Approve (A) the Sale Pursuant to the Master Sale and Purchase Agreement with Vehicle Acquisition Holdings LLC, A U.S. Treasury-Sponsored Purchaser, Free and Clear of Liens, Claims, Encumbrances, and Other Interests; (B) the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases; and (C) Other Relief; and (II) Schedule Sale Approval Hearing* [Docket No. 92].

3. Except as otherwise indicated, all facts set forth in this Declaration are based upon my personal knowledge and experience as a member of the Auto Team, my discussions with members of GM's senior management or other interested parties, and my review of relevant documents. Pursuant to this Court's Case Management Order, this declaration constitutes the direct testimony I would give if called to testify.

4. Most recently before joining the Auto Team, I was a general partner at Silver Point Capital, a multi-strategy investment fund managing several billion dollars in equity capital. My responsibilities at Silver Point included overseeing a number of operational and financial restructurings as well as investing in and working with troubled companies. Prior to

joining Silver Point, I worked at a variety of financial firms including Goldman, Sachs & Co. and The Blackstone Group. I do not have any agreements, implicit or explicit, with any other entity that I will work for it after I resign from government service.

5. I am a graduate of Harvard Business School and Harvard College.

6. My responsibilities as a senior member of the Auto Team consist primarily of (a) generally overseeing the financial and business diligence of the various companies in our purview and (b) specifically leading the Auto Team's day-to-day efforts with respect to GM.

7. The United States of America – acting through Treasury and the Auto Team – has implemented various programs to support and stabilize the domestic automotive industry. Those programs have included, among other things, providing credit support for receivables issued by certain domestic automobile manufacturers, and support for consumer warranties.

8. Treasury has also provided direct loans to automobile manufacturers. In late 2008, GM requested a loan from Treasury. Following arm's length negotiations, Treasury determined to make available to GM billions of dollars in an emergency secured loan to enable GM to avoid a chaotic "freefall" liquidation while it developed a new business plan. I understand that when Treasury first extended credit to GM in December 2008 under the emergency secured loan, there was no other lender willing to loan to GM on such a condensed time frame and taking into account GM's available collateral.

9. Treasury and GM entered into a loan and security agreement on December 31, 2008 (the "LSA"), which provided GM up to $13.4 billion in term financing on a secured, delayed draw basis. Under the LSA, GM immediately borrowed $4 billion, followed by $5.4

billion less than a month later, and the remaining $4 billion on February 17, 2009. The LSA required GM to submit by February 17, 2009, a proposed business plan to demonstrate its future competitiveness that went significantly farther than the one GM had submitted to Congress in late 2008. Among other initial conditions on Treasury's willingness to lend, GM was to demonstrate its long-term viability by reducing its outstanding public bond debt (approximately $27 billion) by two-thirds, and converting from cash to common stock at least half of the value of its pending $20 billion contribution to a union health care trust.

10. GM has only sought the emergency financing from Treasury under Treasury's Troubled Asset Relief Program ("TARP").. As contrasted with other TARP transactions that involve Treasury making direct investments in troubled companies in return for common or preferred equity, Treasury structured the GM transactions as a loan with the only equity received by Treasury being in the form of warrants described below. The LSA between Treasury and GM had terms and covenants of a loan rather than an equity investment (although many of the terms and covenants were more lenient or favorable than "market terms"). Treasury also entered into intercreditor agreements with GM's other senior lenders in order to set forth the secured lenders' respective prepetition priority.[1] Treasury received first liens on GM's and the guarantors' equity interests in their respective domestic subsidiaries (other than certain domestic subsidiaries expressly excluded because of regulatory, contractual or practical prohibitions to a pledge thereof) and certain of their respective foreign subsidiaries (limited in most cases to 65% of the equity interests of the pledged foreign subsidiaries), intellectual property, real estate (other than manufacturing plants or facilities), inventory that was not pledged to other lenders, and cash and cash equivalents. Treasury also received second liens on certain additional collateral. The

[1] A copy of the Intercreditor Agreement is attached hereto as Exhibit A.

LSA had separate collateral documents, which included: (i) a guaranty and security agreement, (ii) an equity pledge agreement and (iii) an intellectual property pledge agreement. The LSA loans were interest-bearing with a rate equal to 3.00% over the 3-month LIBOR with a LIBOR floor of 2.00%. The Default Rate on this loan was 5.00% above the non-default rate. In connection with this loan, Treasury also received warrants to purchase equity in GM. These warrants were in addition to, and distinct from, the secured debt and are separately documented.

11. In connection with GM's loan requests from Treasury, GM submitted a "viability plan" on February 17, 2009, which outlined a number of steps it intended to take to make itself more competitive, including an operational turnaround. The Auto Team reviewed and analyzed that plan and found, after a total consideration of all relevant factors taken as a whole, that GM's plan was not adequate. A copy of the "Viability Determination" dated March 30, 2009, is attached hereto as Exhibit B. On March 30, 2009, President Obama announced publicly that GM's efforts to develop a long-term viability plan had fallen short and that the advancement of any additional federal loans to GM beyond the subsequent sixty-day period would require a substantially more aggressive effort to map out a clear path to long-term viability. GM was free, however, to seek funding from any entity other than Treasury on any terms it could negotiate. The Auto Task Force did not restrict GM from seeking alternative funding. In fact, at no point did the Auto Task Force or Treasury require that GM accept funding from the government or prohibit GM from seeking equity funding or loans from other sources, and on a number of occasions I made clear to GM management that the Auto Team and Treasury would prefer to see GM develop a private sector financing solution, if at all possible. The Auto Team has also done nothing to prevent GM from seeking strategic relationships with other automobile manufacturers or other willing partners. The funds advanced to GM under the LSA –

approximately $19.4 billion in total, as of the petition date (all on a secured basis)[2] – were critical to GM's survival during the past several months. They are equally critical to GM's survival today.

12. Treasury, the Auto Team, GM, a variety of stakeholders including holders of GM's unsecured debt instruments and the United Auto Workers (the "UAW") worked exhaustively to achieve a comprehensive out-of-court overhaul of GM's finances and cost structure. These and other efforts are detailed in the First Day Affidavit of Frederick Henderson. [Docket No. 21]. Simultaneously with these efforts, GM and Treasury also considered the possibility that GM would be unable to meet its needs other than through a chapter 11 filing. Although it was not Treasury or GM's first choice, it ultimately became clear that the only viable course was for GM to pursue – with the support of Treasury, the Government of Canada, and other constituents – a transaction under section 363(b) of chapter 11 of title 11 of the United States Code (the "363 Transaction").

13. There are several critical reasons why the 363 Transaction is necessary on the time-frame proposed to the Court in these cases, including (a) it will permit New GM (as defined below) to begin manufacturing automobiles as quickly as possible, (b) it will reduce the amount of money Treasury is being asked to lend and (c) most importantly, a rapid emergence from bankruptcy creates the highest probability of avoiding the catastrophic and expensive meltdown in GM auto sales that virtually all industry observers predicted would happen in the event of a GM bankruptcy filing. It is Treasury's belief that only a rapid and certain emergence from bankruptcy can provide consumers the confidence necessary to make a major purchase like

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[2] Treasury and GM entered into amended credit agreements to provide for an additional $2 billion in financing that GM borrowed on April 22, 2009, and another $4 billion that GM borrowed on May 20, 2009.

an automobile. Importantly, Treasury cannot make an open-ended commitment to GM that Treasury will continue to fund GM's operations if GM's critical assets languish in the bankruptcy process.

14. The details and documentation of the 363 Transaction were negotiated at arm's length between Treasury and its advisors and GM and its advisors. GM had numerous independent advisors that it selected without any input from the government. These advisors included experienced counsel, restructuring experts, and investment bankers.

15. In the spring of 2009, Treasury and GM began negotiating the Master Sale and Purchase Agreement (the "MSPA"). For approximately one month, Treasury and GM and their respective counsel engaged in sometimes contentious arm's length negotiations. Negotiations between Treasury and GM commenced with the term sheets to the MSPA provided by GM on or about May 1, 2009, and continued with subsequent rounds of discussions regarding the specific language of the MSPA through its execution on June 1, 2009.

16. Throughout the spring of 2009, GM and Treasury, as well as the UAW and the UAW VEBA, the Debtors' prepetition secured lenders, certain of the Debtors' prepetition unsecured lenders, and Treasury's Canadian co-investors engaged in negotiations over the terms of the sale and related issues including financing. These negotiations continued through the Debtors' bankruptcy filings on June 1, 2009 (the "Petition Date"), and beyond. During the period from May 22 through June 1, the parties engaged in nearly around the clock negotiations at GM's New York headquarters and the office of their counsel. Since the Petition Date, the negotiations have expanded to include the Debtors' statutory committee of unsecured creditors and other interested parties, and Treasury, as purchaser, has made certain concessions to those parties in the course of those negotiations.

17. On the day GM filed for bankruptcy, GM, Treasury and Export Development Canada (the "EDC") sought court approval of a Secured Superpriority Debtor-In-Possession Credit Agreement (the "DIP Facility"). Negotiations with respect to the DIP Facility went on simultaneously with the MSPA and under similar circumstances. The additional funding under the DIP Facility was and is critical for GM to avoid a value-destroying "free-fall" liquidation. The Bankruptcy Court approved the DIP Facility, on an interim basis, on June 2, 2009 in the amount of $15 billion. [Docket No. 292]. The total availability under the DIP Facility is $33.3 billion. The DIP Facility terms, covenants, collateral and priority are similar to the analogous provisions in the LSA in many respects. The non-default rate for Eurodollar loans is the sum of (a) the greater of (i) the LIBOR rate for the period of the applicable loan, adjusted for certain reserve requirements, and (ii) 2.00%, plus (b) 3.00%. The default interest rate, if applicable, is the otherwise applicable non-default rate plus 5.00%. At Treasury's sole discretion, the otherwise applicable non-default rate may be the rate of interest applicable to ABR loans plus 2.00%. The Bankruptcy Court issued a final order on June 25, 2009, approving the DIP Facility.

18. Prior to the closing of the proposed sale, Treasury will own 100% of NGMCO, Inc. ("New GM") – a newly created Delaware Corporation incorporated for the purpose of acquiring certain assets of GM through the 363 Transaction. To purchase substantially all of the assets of GM, New GM will credit bid the claims of Treasury under the secured DIP Facility (except for the $7,072,488,605 associated with the exit financing and the $950 million associated with the wind down fund described below), in addition to all claims of Treasury under the secured LSA. New GM's credit bid far exceeds the value of all of the assets of GM, which has a liquidation value as determined by AlixPartners, LLP ("AlixPartners") of

between $6.5 billion and $9.7 billion. I have no reason to dispute the AlixPartners valuation. That valuation demonstrates that Treasury's credit bid far exceeds the value attainable in a GM liquidation, the only other option available to the company.

19. As a purchaser seeking to buy assets that will enable New GM to be as competitive as possible, New GM negotiated the 363 Transaction to limit to the maximum extent its successor liabilities, as advised by counsel. New GM has only voluntarily assumed liabilities where it sees a necessary and compelling business purpose for doing so.

20. Pursuant to the terms of the MSPA, New GM will allocate 17.5% of its common equity on an undiluted basis to a new Voluntary Employee Beneficiary Association formed pursuant to an agreement between New GM and its unionized work force (the "New VEBA"). That equity stake is being given to the UAW on account of the value that the UAW will provide to New GM in its efforts to compete effectively in the auto industry. New GM views the UAW's skilled workforce as essential to its future operations and engaged in negotiations to reach a revised collective bargaining agreement, which includes an agreement on the New VEBA. It would be impossible for New GM to operate without a skilled workforce. If the UAW failed to cooperate with New GM post-petition, there would be no functioning company. The equity stake was not intended to be – and is not in form or substance – a distribution on account of any claims the UAW may have in GM's chapter 11 cases.

21. New GM will also allocate 10% of its equity on an undiluted basis to Old GM's bankruptcy estate as part of the 363 Transaction.[3] Additionally, in the event that the Bankruptcy Court determines that the estimated amount of allowed prepetition general unsecured

[3] After these various equity allocations, Treasury will own approximately 61% of New GM and EDC will own approximately 11.5% of New GM.

claims against the Debtors exceed $35 billion, then New GM will allocate, on a sliding scale, up to 2% of its equity to Old GM as part of the 363 Transaction. Finally, New GM will issue warrants to purchase up to 15% of the shares of common stock of New GM, with the initial exercise prices of $30.00 and $55.00 per warrant, subject to certain adjustments. The warrants will be exercisable through the seventh and tenth anniversaries of issuance, respectively, and New GM can elect partial and cashless exercises. This equity allocation will be distributed by GM as part of any chapter 11 plan that is ultimately confirmed by the Bankruptcy Court. Treasury has not directed how the equity will be allocated among GM's existing creditors.

22. Upon closing of the 363 Transaction, New GM will assume $7,072,488,605 of the debt provided to old GM under the DIP loan in an amended and restated credit agreement. When the extended financing is transferred to New GM, this financing, combined with the new CBA between New GM and the UAW and other cost-saving measures undertaken in connection with Old GM's chapter 11 cases, will enable New GM to provide adequate assurance of future performance to parties who have had their contracts assumed by Old GM and assigned as part of the 363 Transaction.

23. Finally, in addition to the allocation of equity to Old GM's estates as part of the 363 Transaction, Treasury is providing a substantial amount of money to Old GM to wind down its estates. Pursuant to the terms of the DIP Facility, Treasury will provide the Debtors with $950 million to wind-down the Debtors' estates after completion of the proposed 363 Transaction. The $950 million will permit Old GM to wind its estates down in an appropriately-funded manner, pay reasonable professional fees, dispose of assets left behind in the estates, and ultimately to confirm a chapter 11 plan that permits Old GM to distribute a percentage of the equity in New GM. Any amounts remaining will ultimately revert to New GM.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the forgoing statements are true and correct.

Executed: June 25, 2009,
New York, New York

/s/ Harry Wilson
HARRY WILSON

EXHIBIT A

EXECUTION COPY

INTERCREDITOR AGREEMENT

This Intercreditor Agreement (this "Agreement"), dated as of February 17, 2009, between GELCO CORPORATION d/b/a GE FLEET SERVICES, (as more specifically defined below, "GE"), THE UNITED STATES DEPARTMENT OF THE TREASURY (as more specifically defined below, the "UST Representative"), for itself and the other UST Secured Parties (as defined below), and GENERAL MOTORS CORPORATION (as more specifically defined below, "GM").

RECITALS

W I T N E S S E T H:

WHEREAS, GM and GE have entered into a Loan and Security Agreement dated as of October 2, 2006 (as amended by the first amendment thereto dated as of September 27, 2007, the second amendment thereto dated as of November 29, 2007, and the third amendment thereto dated as of the date hereof (the "Third Amendment"), and as the same from time to time may be further amended, supplemented, restated or otherwise revised, refinanced or replaced, the "GE Credit Agreement"), pursuant to which GE has agreed to make certain loans to GM.

WHEREAS, GM and the UST Representative have entered into the UST Credit Agreement (as defined below), pursuant to which the UST Representative has agreed to make certain loans to GM.

WHEREAS, pursuant to the GE Credit Agreement, GM has granted to GE Liens (as defined below) on the GE Collateral (as defined below) as security for payment and performance of the GE Secured Obligations (as defined below).

WHEREAS, pursuant to the terms of the GE Credit Agreement, GM generally may not incur, maintain or otherwise suffer to exist any Liens on the GE Collateral other than those securing the GE Secured Obligations.

WHEREAS, pursuant to the UST Credit Agreement, GM has granted to the UST Representative junior Liens on the GE Collateral to secure the UST Secured Obligations (as defined below), subject to execution and delivery of an amendment to the GE Credit Agreement permitting GM to grant such Liens, and to the terms and conditions of this Agreement and the agreements of the UST Secured Parties made herein.

WHEREAS, GE has agreed to amend the GE Credit Agreement, by executing and delivering the Third Amendment, in order to permit, among other things, the grant to the UST Secured Parties of junior Liens on the GE Collateral as security for payment and performance of the UST Secured Obligations in accordance with the terms and conditions of this Agreement.

NOW THEREFORE, in consideration of the foregoing and the mutual covenants herein contained and other good and valuable consideration, the existence and sufficiency of which is expressly recognized by all of the parties hereto, the parties agree as follows:

Section 1. Defined Terms.

1.1 Definitions.Unless otherwise defined herein, terms defined in the GE Credit Agreement and used herein shall have the meanings given to them in the GE Credit Agreement as defined therein as of the date of this Agreement.

(b) The following terms shall have the respective meanings set forth below:

"Additional US Government Debt" means indebtedness under any credit facility (other than the UST Credit Agreement or any Permitted Refinancing Document) provided to GM or any of its Subsidiaries by any US Governmental Authority to the extent such credit facility is secured by all or any part of the GE Collateral; provided, however, that an agent or trustee for the holders of such indebtedness has agreed to be bound by the terms of this Agreement with respect to such indebtedness.

"Additional US Government Representative" means each agent or trustee for the holders of any Additional US Government Debt.

"Bankruptcy Code" means the United States Bankruptcy Code (11 U.S.C. §§ 101-1532), as amended from time to time.

"Bankruptcy Law" means each of the Bankruptcy Code and any similar federal, state or foreign law for the relief of debtors.

"Business Day" means any day other than a Saturday, Sunday or any other day on which national banks in New York, New York are not open for business.

"Cash Collateral" has the meaning provided in Section 363(a) of the Bankruptcy Code.

"DIP Financing" means any financing obtained by GM during any Insolvency Proceeding or otherwise pursuant to any Bankruptcy Law, including any such financing obtained by GM under Section 363 or 364 of the Bankruptcy Code or under any similar provision of any Bankruptcy Law.

"GE" means GELCO Corporation, a Delaware corporation, d/b/a GE Fleet Services, together with its successors and assigns with respect to the GE Credit Agreement.

"GE Collateral" means all (i) property that constitutes "Collateral" as defined in the GE Credit Agreement on the date hereof (for the sake of clarity, including after acquired property that constitutes "Collateral" as so defined, and Proceeds of the foregoing), (ii) property that becomes "Collateral" pursuant to Section 5.1 of the GE Credit Agreement, and any Proceeds thereof, and (iii) property of the type described in clause (i) or (ii) of this definition that would constitute "Collateral" under the GE Credit Agreement but for the operation of Section 552 of the Bankruptcy Code following the commencement of an Insolvency Proceeding with respect to GM and in which GE or any GE Secured Party is granted a Lien as adequate protection with respect to its interests in the GE Collateral.

"GE Credit Agreement" has the meaning set forth in the Recitals.

"GE Pledged Collateral" has the meaning set forth in Section 2.1(n) below.

"GE Secured Obligations" means the "Obligations" as defined in the GE Credit Agreement.

"GE Secured Obligations Payment Date" means the first date on which (i) the GE Secured Obligations (other than those that constitute Unasserted Contingent Obligations), and all Post-Petition Charges (if any) owed to the GE Secured Parties, have been indefeasibly paid in cash in full (or cash collateralized or defeased in accordance with the terms of the GE Credit Agreement), (ii) all commitments to extend credit under the GE Credit Agreement have been terminated, (iii) there are no outstanding letters of credit or similar instruments issued under the GE Credit Agreement (other than such as have been cash collateralized or defeased in accordance with the terms of the GE Credit Agreement), and (iv) unless the UST Secured Obligations Payment Date has occurred, GE has delivered a written notice to the UST Representative, stating that the events described in clauses (i), (ii) and (iii) above have occurred to the satisfaction of GE (which notice shall be promptly provided by GE).

"GE Secured Parties" means, at any time, GE and any other holders of the GE Secured Obligations outstanding at such time.

"GM" means General Motors Corporation, a Delaware corporation, together with its successors and assigns with respect to the GE Credit Agreement and the UST Credit Agreement.

"Insolvency Proceeding" means each of the following, in each case with respect to GM or any property or indebtedness of GM: (i) any voluntary or involuntary case or proceeding under any Bankruptcy Law or any other voluntary or involuntary insolvency, reorganization or bankruptcy case or proceeding, (ii) any case or proceeding seeking receivership, liquidation, reorganization, winding up or other similar case or proceeding, (iii) any case or proceeding seeking arrangement, adjustment, protection, relief or composition of any debt, (iv) any case or proceeding seeking the entry of an order for relief or the appointment of a custodian, receiver, trustee or other similar official and (v) any general assignment for the benefit of creditors.

"Lien" means any mortgage, pledge, hypothecation, assignment for security, deposit arrangement, encumbrance, lien (statutory or other), charge or other security interest or any preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including any conditional sale or other title retention agreement and any capital lease having substantially the same economic effect as any of the foregoing).

"Notice" has the meaning set forth in Section 5.1 below.

"Permitted Refinancing Debt" means any indebtedness issued in exchange for, or the net proceeds of which are used to extend, refinance, renew, replace, defease, discharge or refund, the UST Secured Obligations; provided, however, that such indebtedness may be in a principal amount greater than the principal amount of the UST Secured Obligations; provided further, however, that an agent or trustee for the holders of such indebtedness has agreed to be bound by the terms of this Agreement with respect to Liens on all or any portion of the GE Collateral securing such indebtedness; provided further, however, that "Permitted Refinancing Debt" shall not include any DIP Financing.

"Permitted Refinancing Documents" means the agreements, instruments and other documents executed in connection with the incurrence of any Permitted Refinancing Debt, including, without limitation, any agreements or documents relating to the Liens securing such Permitted Refinancing Debt.

"Permitted Refinancing Representative" means any agent or trustee for the holders under any Permitted Refinancing Debt.

"Post-Petition Charges" means all interest, fees, expenses or other charges or amounts accruing or that would have accrued pursuant to the GE Credit Agreement or the UST Credit Agreement, as

applicable, or pursuant to Section 506 of the Bankruptcy Code or any other provision of Bankruptcy Law, after the commencement of any Insolvency Proceeding, irrespective of whether a claim for post-filing or post-petition interest (or entitlement to fees or expenses or other charges or amounts) is allowed in any such Insolvency Proceeding.

"Post-Petition Securities" means any debt securities or other indebtedness received in full or partial satisfaction of any claim as part of any Insolvency Proceeding.

"President's Designee" means the "President's Designee," as that term is defined in the UST Loan Agreement.

"Proceeds" means all "proceeds" as such term is defined in Section 9-102(a)(64) of the Uniform Commercial Code in effect in the State of New York on the date hereof.

"Refinancing" or "Refinance" means, with respect to any indebtedness, any other indebtedness (including any DIP Financing and any Post-Petition Securities received on account of such indebtedness) issued as part of a refinancing, extension, renewal, defeasance, discharge, amendment, restatement, modification, supplement, substitution, restructuring, replacement, exchange, refunding or repayment thereof.

"Secured Obligations" means, collectively, (i) all GE Secured Obligations and (ii) all UST Secured Obligations.

"Secured Parties" means the GE Secured Parties and the UST Secured Parties.

"Senior Recovery" has the meaning set forth in Section 2.1(g) below.

"Third Amendment" has the meaning set forth in the Recitals.

"Unasserted Contingent Obligations" means, at any time, GE Secured Obligations or UST Secured Obligations, as the case may be, for taxes, costs, indemnifications, reimbursements, damages and other liabilities (excluding (i) the principal of, and interest and premium (if any) on, and fees and expenses relating to, any GE Secured Obligation or UST Secured Obligation, as the case may be, and (ii) contingent reimbursement obligations with respect to amounts that may be drawn under outstanding letters of credit) with respect to which no assertion of liability (whether oral or written) and no claim or demand for payment (whether oral or written) has been made (and, in the case of contingent reimbursement obligations with respect to indemnification, no notice for indemnification has been issued by the indemnitee) at such time.

"Uniform Commercial Code" means the Uniform Commercial Code as in effect from time to time in the applicable jurisdiction.

"US Governmental Authority" means any Governmental Authority located in the United States of America, and any Person who is directly or indirectly owned or controlled by one or more US Governmental Authorities. For the purposes of this definition, "control" means the possession of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

"UST Credit Agreement" means the Loan and Security Agreement, dated as of December 31, 2008, by and among GM, as borrower, the guarantors party thereto, and The United States Department of the Treasury, as the same from time to time may be amended, modified, supplemented or otherwise

revised; provided, however, that following the incurrence of any Permitted Refinancing Debt and upon the applicable Permitted Refinancing Representative's agreement in writing to be bound by the terms of this Agreement as if originally a party hereto, "UST Credit Agreement" shall also mean the loan agreement (or similar agreement, instrument or document) executed in connection with the incurrence of such Permitted Refinancing Debt; provided, further, however, that following the incurrence of any Additional US Government Debt and upon the applicable Additional US Government Representative's agreement in writing to be bound by the terms of this Agreement as if originally a party hereto, "UST Credit Agreement" shall also mean the loan agreement (or similar agreement, instrument or document) executed in connection with the incurrence of such Additional US Government Debt.

"UST Loan Documents" means the "Loan Documents," as that term is defined in the UST Credit Agreement; provided, however, that following the incurrence of any Permitted Refinancing Debt and upon the applicable Permitted Refinancing Representative's agreement in writing to be bound by the terms of this Agreement as if originally a party hereto, "UST Loan Documents" shall also mean the applicable Permitted Refinancing Documents; provided, further, however, that following the incurrence of any Additional US Government Debt and upon the applicable Additional US Government Representative's agreement in writing to be bound by the terms of this Agreement as if originally a party hereto, "UST Loan Documents" shall also mean the applicable Additional US Government Documents.

"UST Representative" means The United States Department of the Treasury, in its capacity as lender under the UST Loan Documents, together with its successors and assigns in such capacity; provided, however, that following the incurrence of any Permitted Refinancing Debt and upon the applicable Permitted Refinancing Representative's agreement in writing to be bound by the terms of this Agreement as if originally a party hereto, the UST Representative shall be deemed to be the agent of such Permitted Refinancing Representative for all purposes under this Agreement; provided, further, however, that following the incurrence of any Additional US Government Debt and upon the applicable Additional US Government Representative's agreement in writing to be bound by the terms of this Agreement as if originally a party hereto, the UST Representative shall be deemed to be the agent of such Additional US Government Representative for all purposes under this Agreement.

"UST Secured Obligations" means, collectively, the unpaid principal of and interest on the advances under the UST Credit Agreement and all other obligations and liabilities of GM and any Subsidiary of GM that is a borrower, issuer or primary obligor under the UST Credit Agreement (including, without limitation, interest accruing at the then applicable rate provided in the UST Credit Agreement after the maturity of the indebtedness thereunder and all Post-Petition Charges) to the holders of such indebtedness or other obligations, whether direct or indirect, absolute or contingent, due or to become due, or now existing or hereafter incurred, which may arise under, out of, or in connection with, the UST Loan Documents or any other document made, delivered or given in connection with any of the foregoing, in each case whether on account of principal, interest, reimbursement obligations, fees, prepayment premiums, indemnities, costs, expenses or otherwise (including, without limitation, all fees and disbursements of counsel to any UST Representative or to the holders of such obligations that are required to be paid by GM pursuant to the terms of any of the foregoing agreements).

"UST Secured Obligations Payment Date" means the first date on which (i) the UST Secured Obligations (other than those that constitute Unasserted Contingent Obligations), and all Post-Petition Charges (if any) owed to the UST Representative and/or any UST Secured Party, have been indefeasibly paid in cash in full (or cash collateralized or defeased in accordance with the terms of the UST Loan Documents), (ii) all commitments to extend credit under the UST Loan Documents have been terminated, (iii) there are no outstanding letters of credit or similar instruments issued under the UST Loan Documents (other than such as have been cash collateralized or defeased in accordance with the terms of the UST Loan Documents), and, (iv) unless the GE Secured Obligations Payment Date has occurred, the

UST Representative has delivered a written notice to GE stating that the events described in clauses (i), (ii) and (iii) above have occurred to the satisfaction of the UST Representative (which notice shall be promptly provided by the UST Representative).

"UST Secured Parties" means, at any time, the UST Representative and any other holder of UST Secured Obligations outstanding at such time.

"UST Standstill Period" has the meaning set forth in Section 3.1(a) below.

1.2 Other Definitional Provisions.

(a) The words "hereof," "herein", "hereto" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and Section, subsection and Schedule references are to this Agreement unless otherwise specified.

(b) The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

Section 2. Intercreditor Provisions.

2.1 UST Secured Debt. The UST Representative, for itself and each of the other UST Secured Parties, and GE, for itself and each of the other GE Secured Parties, agrees to, and shall be bound by, the following terms and conditions:

(a) Any and all Liens on the GE Collateral now existing or hereafter created arising in favor of the UST Representative or any other UST Secured Party securing the UST Secured Obligations, regardless of how acquired, whether by grant, statute, operation of law, subrogation or otherwise, are expressly junior in priority, operation and effect to any and all Liens on the GE Collateral now existing or hereafter created or arising in favor of the GE Secured Parties securing the GE Secured Obligations, notwithstanding (i) anything to the contrary contained in any agreement or filing to which the UST Representative or any other UST Secured Party may now or hereafter be a party, and regardless of the time, order or method of grant, attachment, recording or perfection of any financing statements or other security interests, assignments, pledges, deeds, mortgages and other Liens, charges or encumbrances or any defect or deficiency or alleged defect or deficiency in any of the foregoing, (ii) any provision of the Uniform Commercial Code or any applicable law or any agreement with respect to the GE Secured Obligations or the UST Secured Obligations or any other circumstance whatsoever and (iii) the fact that any such Liens in favor of any GE Secured Party securing any of the GE Secured Obligations are otherwise subordinated, voided, avoided, invalidated or lapsed.

(b) Neither the UST Representative nor any other UST Secured Party shall object to or contest, or support any other Person in objecting to or contesting, in any proceeding (including, without limitation, any Insolvency Proceeding), the validity, extent, perfection, priority or enforceability of any Lien on the GE Collateral granted to any GE Secured Party; provided, however, that the UST Representative and UST Secured Parties shall be permitted to negotiate with the GE Secured Parties to amend this Agreement regarding, inter alia, the relative rights of the Secured Parties in the GE Collateral; provided further, however, that nothing

contained herein shall obligate or require any GE Secured Party to negotiate with the UST Representative or any other UST Secured Party regarding, or agree to, any such suggested amendment. Notwithstanding any failure by any GE Secured Party to perfect its Lien on the GE Collateral or any avoidance, invalidation or subordination by any third party or court of competent jurisdiction of the Lien on the GE Collateral granted to the GE Secured Parties, the priority and rights as between the GE Secured Parties, on the one hand, and the UST Representative and the other UST Secured Parties, on the other hand, with respect to the GE Collateral shall be as set forth herein. Neither GE nor any other GE Secured Party shall object to or contest, or support any other Person in objecting to or contesting, in any proceeding (including, without limitation, any Insolvency Proceeding), the validity, extent, perfection, priority or enforceability of any Lien on the GE Collateral granted to the UST Representative or any other UST Secured Party, so long as such Lien is subordinated to the Lien on the GE Collateral in favor of the GE Secured Parties on the terms set forth in this Agreement.

(c) Neither the UST Representative nor any other UST Secured Party shall, in or in connection with any Insolvency Proceeding, file any pleadings or motions, take any position at any hearing or proceeding of any nature, or otherwise take any action whatsoever, in each case with respect to any of the GE Collateral, including, without limitation, with respect to the determination of any Liens or claims held by any GE Secured Party or the value of any claims of such parties under Section 506(a) of the Bankruptcy Code or otherwise; provided, however, that the UST Representative and any other UST Secured Party may file a proof of claim in any Insolvency Proceeding, subject to and consistent with the limitations contained in this Agreement; provided, further, however, that the UST Representative and any other UST Secured Party may seek to provide DIP Financing to GM and in connection therewith, to obtain Liens on any or all of the GE Collateral that may be superior to, or pari passu with, the Lien of the GE Secured Parties; provided, further, however, that nothing contained herein shall be construed as a consent by GE or any of the other GE Secured Parties, to such DIP Financing or any Liens granted in connection therewith, or a waiver by any such party of its right to object to any such DIP Financing or any Liens granted in connection therewith.

(d) If GM becomes subject to any Insolvency Proceeding, and if GE consents in writing to the provision of any DIP Financing to GM, which DIP Financing requires the subordination of the Liens on the GE Collateral securing the GE Secured Obligations to Liens on the GE Collateral that will secure obligations under any DIP Financing or proposed DIP Financing to GM, whether or not some or all of the proceeds thereof are being used to Refinance all or any portion of the GE Secured Obligations, then the UST Representative and each of the other UST Secured Parties will subordinate (and will be deemed hereunder to have subordinated) its Liens (other than any such Liens granted under the DIP Financing) on the GE Collateral (including Liens, if any, granted as adequate protection of its interests in the GE Collateral) (i) to the Liens on the GE Collateral that will secure obligations under such DIP Financing on the same terms as the Liens securing the GE Secured Obligations are subordinated thereto (and such subordination will not alter in any manner the terms of this Agreement), and (ii) to any adequate protection provided to GE or any GE Secured Party on account of the applicable party's interests in the GE Collateral, in connection with the provision of such DIP Financing. Neither the UST Representative nor any other UST Secured Party will request or accept adequate protection or any other relief in connection with the subordination of Liens described in this Section 2.1(d), except as set forth in Section 2.1(f) below.

(e) Neither the UST Representative nor any other UST Secured Party will seek relief from the automatic stay or from any other stay in any Insolvency Proceeding or take any action in derogation thereof, in each case with respect to any GE Collateral, without the prior written consent of the GE Secured Parties; provided, however, that the UST Representative or any other UST Secured Party shall be permitted to take any of the foregoing actions without the prior written consent of the GE Secured Parties in connection with the provision or proposed provision by the UST Representative or any other UST Secured Party of DIP Financing to GM; provided, further, however, that nothing contained herein shall be construed as a consent by any of the GE Secured Parties to such DIP Financing, or a waiver by any such party of its right to object to any such relief from the automatic stay or any other stay.

(f) Neither the UST Representative nor any other UST Secured Party shall object to or contest, or support in any manner any other Person objecting to or contesting, (i) any request by GE or any other GE Secured Party seeking adequate protection of such party's interests in the GE Collateral, or the provision of any adequate protection of such interests to any such party, (ii) any objection by GE or any other GE Secured Party to any motion, relief, action or proceeding based on a claim of a lack of adequate protection with respect to such party's interests in the GE Collateral, or (iii) the payment of Post-Petition Charges to GE or any other GE Secured Party with respect to the GE Collateral. Notwithstanding anything contained in this Section 2.1(f) (but subject to all other provisions of this Agreement, including, without limitation, Section 2.1(j) below), in any Insolvency Proceeding, if GE or any of the other GE Secured Parties is granted adequate protection of its interests in the GE Collateral, whether in connection with any DIP Financing or use of Cash Collateral or otherwise, then the UST Representative and/or any other UST Secured Party may seek or accept adequate protection with respect to its interests in the GE Collateral; provided, however, that such adequate protection must be solely of the same kind and, if such adequate protection is in the form of a Lien, be granted solely on the same assets, as the adequate protection provided to GE and/or any other GE Secured Party, as applicable, with respect to its interests in the GE Collateral; provided further, however, that any adequate protection provided to the UST Representative or any other UST Secured Party with respect to such party's interests in the GE Collateral that constitutes a superpriority or similar claim for payment shall be junior in priority, operation and effect to any such superpriority or similar claim for payment provided to GE and/or any other GE Secured Party, as applicable, as adequate protection of its interests in the GE Collateral; provided further, however, that any adequate protection provided to the UST Representative or any other UST Secured Party with respect to such party's interests in the GE Collateral that constitutes a Lien shall be junior in priority, operation and effect to any such Lien provided to GE or any other GE Secured Party, as applicable, as adequate protection of its interests in the GE Collateral and, in accordance with Section 2.1(a) above, to the extent such Lien is on the GE Collateral, it shall be junior in priority, operation and effect to any and all Liens on the GE Collateral in favor of GE or any other GE Secured Party securing the GE Secured Obligations. In the event the UST Representative or any other UST Secured Party is granted or accepts adequate protection of its interests in the GE Collateral in accordance with this Section 2.1(f), then the UST Representative or such other UST Secured Party, as applicable, agrees that GE and the other GE Secured Parties shall also be granted (or deemed to be granted for all purposes under this Agreement, including Section 2.1(i) below) adequate protection of the same kind (and, if such adequate protection is in the form of a Lien, granted on the same assets) as the adequate protection granted to the UST Representative or UST Secured Party, as applicable, and which is senior in priority, operation

and effect to the adequate protection granted to the UST Representative or other UST Secured Party, as applicable. Any payments or other distributions received by the UST Representative or any other UST Secured Party as, or on account of, adequate protection of its respective interests in the GE Collateral (including payments or distributions made to such party on account of Liens granted to such party as adequate protection of its interests in the GE Collateral) shall be subject to turnover to GE pursuant to Section 2.1(i) below. The UST Representative and each of the other UST Secured Parties agrees that, except as expressly set forth in this Section 2.1(f), it shall not seek or accept adequate protection with respect to its interests in the GE Collateral without the prior written consent of GE.

(g) If any GE Secured Party is required in any Insolvency Proceeding or otherwise to disgorge, turn over or otherwise pay to a debtor in possession, trustee, receiver or similar Person, because such amount was avoided or ordered to be paid or disgorged for any reason, including without limitation because it was found to be a fraudulent or preferential transfer, any amount received by such party pursuant to the GE Credit Agreement (a "Senior Recovery"), whether received from or on behalf of GM as proceeds of the GE Collateral or other security, as a result of enforcement of any right of set-off or otherwise, then the GE Secured Obligations shall be reinstated to the extent of such Senior Recovery and shall be deemed to be outstanding as if such payment had not occurred and the GE Secured Obligations Payment Date shall be deemed not to have occurred. If this Agreement shall have been terminated prior to such Senior Recovery, this Agreement shall be reinstated in full force and effect, and such prior termination shall not diminish, release, discharge, impair or otherwise affect the obligations of the parties hereto. The UST Representative and other UST Secured Parties agree that none of them shall be entitled to benefit from any avoidance action affecting or otherwise relating to any distribution or allocation made in accordance with this Agreement, whether by preference or otherwise, it being understood and agreed that the benefits of such avoidance action otherwise allocable to them shall instead be allocated and turned over for application in accordance with the priorities set forth in this Agreement.

(h) Neither the UST Representative nor any other UST Secured Party shall, in an Insolvency Proceeding or otherwise, oppose any sale, collection or other disposition of any GE Collateral that is consented to in writing by GE, and the UST Representative and each other UST Secured Party shall be deemed to have consented, under Section 363 of the Bankruptcy Code and otherwise, to any such sale, collection or other disposition of GE Collateral and to GE and any other GE Secured Party credit bidding its Liens on such GE Collateral in any such sale, collection or other disposition (pursuant to Section 363(k) of the Bankruptcy Code or otherwise), and the UST Representative and each other UST Secured Party shall be deemed to have consented to the release of its Liens on such GE Collateral; provided, however, that proceeds from such sale, collection or other disposition of GE Collateral shall be distributed in accordance with Section 9.3 of the GE Credit Agreement (in existence as of the date hereof) regardless of whether an Event of Default (as defined in the GE Credit Agreement) has occurred and is continuing at the time such distributions are to be made; provided further, however, that GM hereby irrevocably instructs GE, and GE hereby agrees, to make any payments with respect to the proceeds of GE Collateral on which the UST Secured Parties have a Lien, otherwise to be paid to GM under Section 9.3(d) of the GE Credit Agreement, to the UST Representative to be applied as Proceeds of Collateral in accordance with Section 4.06 of the UST Loan Agreement or Section 3(f) of the UST Security Agreement (each in existence as of the date hereof), as

applicable, in each case regardless of whether an Event of Default (as defined in the applicable UST Loan Document) has occurred and is continuing at the time such payments are to be made; provided further, however, that, for the avoidance of doubt, nothing contained herein shall be construed as a consent by the President's Designee to any sale, collection or other disposition of any GE Collateral; a waiver of any notice or other obligations of GM to the President's Designee under the UST Loan Documents or otherwise with respect to such sale, collection or other disposition; or any waiver, limitation or other restriction on the rights and duties of the President's Designee with respect to such sale, collection or other disposition.

(i) Each of the UST Representative and the other UST Secured Parties acknowledges and agrees that because of, among other things, the different rights in the GE Collateral of the UST Representative and the other UST Secured Parties, on the one hand, and GE and the other GE Secured Parties, on the other hand, the UST Secured Obligations are fundamentally different from the GE Secured Obligations and must be separately classified in any plan of reorganization proposed or adopted in any Insolvency Proceeding. Each of the UST Representative and the other UST Secured Parties hereby acknowledges and agrees that, regardless of whether the claims with respect to the GE Collateral of GE and the other GE Secured Parties, on the one hand, and the UST Representative and the other UST Secured Parties, on the other hand, are deemed by any court or any third party to constitute a single secured claim (rather than separate senior and junior secured claims), whether in a plan of reorganization or otherwise, all distributions received by the UST Representative or any other UST Secured Party (whether pursuant to a plan of reorganization or otherwise and including, without limitation, distributions made to such party as or on account of adequate protection of such party's interest in the GE Collateral) shall be reallocated to reflect the relative priority of the parties' Liens on and rights with respect to the GE Collateral as provided in this Agreement (with the effect being that, to the extent that the aggregate value of the GE Collateral is sufficient (ignoring all claims held by the UST Representative and the other UST Secured Parties), GE and the other GE Secured Parties shall be entitled to receive, in addition to amounts distributed to them with respect to principal, pre-petition interest and other claims, all amounts owing on account of Post-Petition Charges (regardless of whether such charges have been allowed in such Insolvency Proceeding) with respect to the GE Collateral before any distribution is made on account of the claims held by the UST Representative and the other UST Secured Parties with respect to the GE Collateral, with the UST Representative and each other UST Secured Party hereby acknowledging and agreeing to hold in trust for the benefit of, and turn over to, GE all amounts otherwise received or receivable by it (whether under a plan of reorganization or otherwise) with respect to its respective interests in the GE Collateral, as and when received, to the extent necessary to effectuate the intent of this Section 2.1(i), even if such turnover has the effect of reducing the claim or recovery of the UST Representative or any other UST Secured Party). The provisions of this Section 2.1(i) shall be enforceable by GE against the UST Representative and each other UST Secured Party at any time prior to the occurrence of the GE Secured Obligations Payment Date.

(j) Neither the UST Representative nor any other UST Secured Party shall oppose or seek to challenge any claim by GE or any GE Secured Party for allowance or payment in any Insolvency Proceeding of Post-Petition Charges with respect to any GE Secured Obligation on account of the GE Collateral. Subject to Section 2.1(f) above, neither GE nor any other GE Secured Party shall oppose or seek to challenge any claim by the UST Representative or any

other UST Secured Party for allowance in any Insolvency Proceeding of Post-Petition Charges with respect to any UST Secured Obligation on account of the GE Collateral; provided, however, that nothing in this Section 2.1(j) shall in any way modify or limit the obligations of the UST Representative and each other UST Secured Party under Section 2.1(i) above, and the right of GE to enforce the provisions thereof.

(k) This Agreement, which the parties hereto expressly acknowledge is a "subordination agreement" under Section 510(a) of the Bankruptcy Code, shall be effective before, during and after the commencement of any Insolvency Proceeding.

(l) If, prior to the GE Secured Obligations Payment Date, the UST Representative or any other UST Secured Party receives any Post-Petition Securities on account of its Liens on any GE Collateral in any Insolvency Proceeding, and such Post-Petition Securities are secured by any Lien on all or a portion of the GE Collateral that is also subject to Liens securing Post-Petition Securities received by GE or any other GE Secured Party on account of any GE Secured Obligations in such Insolvency Proceeding, such Liens shall be junior and subordinate to the Liens securing Post-Petition Securities received on account of the GE Secured Obligations to the same extent as Liens on the GE Collateral securing UST Secured Obligations are junior and subordinate to Liens on the GE Collateral securing the GE Secured Obligations as provided in this Agreement, and shall in all respects be subject to the terms of this Agreement; provided, however, that the foregoing shall not apply to any Post-Petition Securities with respect to which the UST Representative or any other UST Secured Party receiving such Post-Petition Securities has been granted a superior or pari passu Lien on all or a portion of the GE Collateral in connection with any DIP Financing; provided further, however, that nothing herein shall be construed as a consent by GE or any of the GE Secured Parties to such DIP Financing or the granting of such superior or pari passu Liens, or a waiver by any such party of its right to object to any such DIP Financing or the granting of such superior or pari passu Liens.

(m) Prior to the GE Secured Obligations Payment Date, any GE Collateral, including, without limitation, any GE Collateral constituting Proceeds, that may be received by the UST Representative or any other UST Secured Party in violation of this Agreement, shall be segregated and held in trust, and shall be promptly paid over to GE, for the benefit of the GE Secured Parties, in the same form as received, with any necessary endorsements, and each UST Secured Party hereby authorizes GE to make any such endorsements as agent for the UST Representative (which authorization, being coupled with an interest, is irrevocable); provided, however, that none of the foregoing restrictions shall apply to any GE Collateral in which the UST Representative or any other UST Secured Party receiving such GE Collateral has been granted a superior or pari passu Lien in connection with any DIP Financing or otherwise; provided, further, however, that nothing contained herein shall be construed as a consent by GE or any of the GE Secured Parties to such DIP Financing or the granting of such superior or pari passu Liens, or a waiver by any such party of its right to object to any such DIP Financing or the granting of such superior or pari passu Liens; provided, further, however, that, for the avoidance of doubt, nothing in this Section 2.1(m) shall be construed as limiting or otherwise restricting the right of the UST Representative or any other UST Secured Party to Refinance some or all of the UST Secured Obligations in accordance with the other provisions of this Agreement.

(n) GE and each of the other GE Secured Parties agrees to hold that part of the GE Collateral that is in its possession or control (or in the possession or control of its agents or bailees), to the extent that possession or control thereof is taken to perfect a Lien thereon under the Uniform Commercial Code (such GE Collateral being the "GE Pledged Collateral"), as collateral agent for the applicable GE Secured Parties and as bailee for the UST Representative and each of the other UST Secured Parties (such bailment being intended, among other things, to satisfy the requirements of Sections 8-301(a)(2) and 9-313(c) of the Uniform Commercial Code), and any assignee of any of the foregoing, solely for the purpose of perfecting the Liens granted under the GE Credit Agreement and the UST Loan Documents, respectively, subject to the terms and conditions of this Section 2.1(n). Upon the occurrence of the GE Secured Obligations Payment Date, if any of the UST Secured Obligations remain unsatisfied, GE and each of the other GE Secured Parties shall, in lieu of releasing the GE Pledged Collateral to GM, deliver the GE Pledged Collateral to the UST Representative or otherwise in accordance with the UST Representative's instructions. GE shall have no obligation whatsoever to the UST Representative or any other UST Secured Party to ensure that the GE Pledged Collateral is genuine or owned by GM, or to preserve rights or benefits of any Person except as expressly set forth in this Section 2.1(n). The duties or responsibilities of GE under this Section 2.1(n) shall be limited solely to holding the GE Pledged Collateral as bailee in accordance with this Section 2.1(n) and the delivery thereof. GM acknowledges and agrees to the this Section 2.1(n).

(o) To the maximum extent permitted by law, the UST Representative and each other UST Secured Party waives any claim it might, or might in the future, have against GE or any other GE Secured Party with respect to, or arising out of, any action or failure to act or any error of judgment, negligence or mistake or oversight whatsoever on the part of GE or any other GE Secured Party or any of their respective directors, officers, employees, agents or Affiliates with respect to any exercise of rights or remedies under the GE Credit Agreement or this Agreement. Neither GE nor any other GE Secured Party, nor any of their respective directors, officers, employees, agents or Affiliates, shall be liable for failure to demand, collect or realize upon any of the GE Collateral or other collateral, or upon any guaranty, or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any GE Collateral or to take any other action whatsoever with respect to the GE Credit Agreement or the UST Loan Documents, except as expressly provided in this Agreement. To the maximum extent permitted by law, GE and each other GE Secured Party waives any claim it might, or might in the future, have against any US Governmental Authority, including, without limitation, the UST Representative and each other UST Secured Party, with respect to, or arising out of, any action or failure to act or any error of judgment, negligence or mistake or oversight whatsoever on the part of the UST Representative or any other UST Secured Party or any of their respective directors, officers, employees, agents or Affiliates with respect to any exercise of rights or remedies under the UST Loan Documents or this Agreement.

2.2 Amendment of Credit Agreements. GE may not amend, supplement, restate or otherwise revise, Refinance or replace the GE Credit Agreement without the prior written consent of the UST Representative if such amendment, supplement, restatement, revision, Refinancing or replacement would:

(a) extend the Scheduled Termination Date past November 30, 2010;

(b) increase the Commitment to be in excess of $150,000,000 or otherwise increase the maximum principal amount outstanding under the GE Credit Agreement to be in excess of $157,500,000; or

(c) increase the rates at which interest, or interest following an Event of Default, are calculated under the GE Credit Agreement to be in excess of those rates set forth in the GE Credit Agreement as in effect on the date hereof, after giving effect to the Third Amendment (but disregarding increases arising from increases from time to time in LIBOR or the Base Rate).

2.3 Rights Preserved. All rights and interests of the GE Secured Parties and the UST Secured Parties hereunder, shall remain in full force and effect irrespective of any circumstances that otherwise might constitute a defense available to, or a discharge of, GM with respect to the GE Secured Obligations or any UST Secured Party with respect to this Agreement.

2.4 Information Concerning Financial Condition of GM. Each Secured Party hereby assumes responsibility for keeping itself informed of the financial condition of GM and all other circumstances bearing upon the risk of nonpayment of the GE Secured Obligations or the UST Secured Obligations. No Secured Party shall have any duty to advise any other Secured Party of information known to it regarding such condition or any such circumstances. In the event any Secured Party, in its sole discretion, undertakes at any time or from time to time to provide any information to any other Secured Party, it shall be under no obligation (i) to update or revise any such information, (ii) to provide any such information to such other Secured Party or any other party on any subsequent occasion, (iii) to undertake any investigation not a part of its regular business routine, or (iv) to disclose any other information.

Section 3. Enforcement Rights, Inspection Rights.

3.1 Enforcement under the GE Credit Agreement.

(a) Until the GE Secured Obligations Payment Date has occurred, whether or not any Insolvency Proceeding has been commenced, the UST Secured Parties (i) will not exercise or seek to exercise any rights or remedies with respect to any of the GE Collateral (including, without limitation, the exercise of any right of setoff or any right under any lockbox agreement, account control agreement, landlord waiver or bailee's letter or similar agreement or arrangement to which any UST Secured Party is a party, or any marshalling, appraisal, valuation or any other right that may otherwise be available under any applicable Requirement of Law with respect to all or any portion of the GE Collateral to the UST Representative or any other UST Secured Party in its capacity as beneficiary of a junior Lien on such GE Collateral) or institute any action or proceeding with respect to such rights or remedies (including any action of foreclosure); provided, however, that (A) the UST Representative and any other UST Secured Party may exercise any or all such rights or remedies after the passage of a period of at least 120 days has elapsed since the earlier to occur of (1) the date on which GE declared the existence of any Event of Default under and as defined in the GE Credit Agreement, and demanded the repayment of all the principal amount of any GE Secured Obligations (unless such Event of Default and demand for repayment is rescinded, in which case such Event of Default and demand for repayment shall be deemed never to have occurred for purposes of this clause (i)(A)(1)), and (2) the date on which GE received notice from the UST Representative of its

intent to exercise such rights or remedies (the "UST Standstill Period"); provided further, however, that, notwithstanding anything herein to the contrary, in no event shall the UST Representative exercise any rights or remedies with respect to the GE Collateral if, notwithstanding the expiration of any UST Standstill Period, GE shall have commenced and be diligently pursuing the exercise of its rights or remedies with respect to all or any material portion of the GE Collateral (and notice of such exercise has been given to the UST Representative in accordance with Section 3.5(a) below); (ii) will not contest, protest or object to any foreclosure proceeding or action brought by GE or any other exercise by GE of any rights and remedies relating to the GE Collateral under the GE Credit Agreement or otherwise; (iii) subject to their rights under clause (i) above, will not object to the forbearance by GE from bringing or pursuing any foreclosure proceeding or action or any other exercise of any rights or remedies relating to the GE Collateral, in each case so long as the interests of the UST Representative and the other UST Secured Parties attach to the proceeds thereof, subject to the relative priorities described in Section 2.1(a) above; (iv) will not take or cause to be taken any action, the purpose or effect of which is to make any Lien with respect to any UST Secured Obligation pari passu with or senior to, or to give the UST Representative or any UST Secured Party any preference or priority relative to, the Liens with respect to the GE Secured Obligations held by GE or the GE Secured Parties with respect to any of the GE Collateral (other than a DIP Financing in accordance with Section 2.1 above); and (v) will have no right to direct either GE or any other GE Secured Party to exercise any right, remedy or power with respect to the GE Collateral or pursuant to the GE Credit Agreement.

(b) Until the GE Secured Obligations Payment Date has occurred, whether or not any Insolvency Proceeding has been commenced, GE and the GE Secured Parties shall have the right to enforce rights, exercise remedies (including set off and the right to credit bid their debt) and make determinations regarding the release, disposition, or restrictions with respect to the GE Collateral without any consultation with or the consent of the UST Representative or any other UST Secured Party. In exercising rights and remedies with respect to the GE Collateral, GE and the other GE Secured Parties may enforce the provisions of the GE Credit Agreement and exercise remedies thereunder, all in such order and in such manner as they may determine in the exercise of their sole discretion. Such exercise and enforcement shall include the rights of an agent appointed by any of them to sell or otherwise dispose of GE Collateral upon foreclosure, to incur expenses in connection with such sale or disposition, and to exercise all the rights and remedies of a secured creditor under the Uniform Commercial Code and of a secured creditor under Bankruptcy Law of any applicable jurisdiction. GE agrees to provide at least the lesser of (i) five days' or (ii) the number of days remaining in the UST Standstill Period, notice to the UST Representative of its intent to exercise and enforce its respective rights and remedies with respect to a material portion of the GE Collateral.

(c) Notwithstanding the foregoing, the UST Representative and any other UST Secured Party may:

(i) take any action (not adverse to the priority status of the Liens on the GE Collateral securing the GE Secured Obligations, or the rights of GE or any other GE Secured Party to exercise remedies in respect thereof) in order to create, perfect, preserve or protect its respective junior Liens in the GE Collateral;

(ii) file any necessary responsive or defensive pleadings in opposition to any motion, claim, adversary proceeding or other pleading made by any person objecting to or otherwise seeking the disallowance of the claims of the UST Representative or any other UST Secured Party, including, without limitation, any claims secured by the GE Collateral, if any, in each case in accordance with the terms of this Agreement; and

(iii) exercise any of its rights or remedies with respect to the GE Collateral after the termination of the UST Standstill Period to the extent permitted by Section 3.1(a) above.

(d) The UST Representative, on behalf of itself and the other UST Secured Parties, agrees that it will not take or receive any GE Collateral or any Proceeds of GE Collateral in connection with the exercise of any right or remedy (including set-off) with respect to any GE Collateral in its capacity as a prepetition secured creditor, unless and until the GE Secured Obligations Payment Date has occurred, except as expressly provided in Section 3.1(a) above. Without limiting the generality of the foregoing, unless and until the GE Secured Obligations Payment Date has occurred, except as expressly provided in Sections 3.1(a) and 3.1(c) above, the sole right of the UST Representative and the UST Secured Parties with respect to the GE Collateral is to hold a Lien on the GE Collateral pursuant to the applicable UST Loan Documents for the period and to the extent granted therein and to receive a share of the Proceeds thereof, if any, after the GE Secured Obligations Payment Date has occurred.

(e) Subject to Sections 3.1(a) and 3.1(c) above:

(i) the UST Representative, for itself and on behalf of the other UST Secured Parties, agrees that the UST Representative and the other UST Secured Parties will not take any action that would hinder any exercise of remedies under the GE Credit Agreement or is otherwise prohibited hereunder, including any sale, lease, exchange, transfer or other disposition of the GE Collateral, whether by foreclosure or otherwise;

(ii) the UST Representative, for itself and on behalf of the other UST Secured Parties, hereby waives any and all rights it or the other UST Secured Parties may have as a junior lien creditor or otherwise to consent to or object to the manner in which GE or the other GE Secured Parties seek to enforce or collect the GE Secured Obligations or the Liens securing the GE Secured Obligations, in each case granted on any of the GE Collateral and undertaken in accordance with this Agreement, regardless of whether any action or failure to act by or on behalf of GE or any of the other GE Secured Parties is adverse to the interest of the UST Secured Parties; and

(iii) the UST Representative hereby acknowledges and agrees that no covenant, agreement or restriction contained in the UST Loan Documents (other than this Agreement) shall be deemed to restrict in any way the rights and remedies of GE or the other GE Secured Parties with respect to the GE Collateral as set forth in this Agreement or the GE Credit Agreement.

(f) Except as specifically set forth in Sections 3.1(a) and 3.1(c) above, nothing in this Agreement shall prohibit the receipt by the UST Representative or any other UST Secured Party

of the required payments of interest, principal and other amounts owed with respect to the applicable UST Secured Obligations so long as such receipt is not the direct or indirect result of the exercise by the UST Representative or any other UST Secured Party of rights or remedies as a secured creditor (including set off) or enforcement in contravention of this Agreement of any Lien on the GE Collateral held by any of them. Nothing in this Agreement impairs or otherwise adversely affects any rights or remedies GE or the other GE Secured Parties may have with respect to the GE Collateral.

(g) Prior to the occurrence of the GE Secured Obligations Payment Date, whether or not any Insolvency Proceeding has been commenced by or against GM, GE Collateral or Proceeds thereof received in connection with the sale or other disposition thereof, or collection thereon, upon the exercise of remedies by GE or the other GE Secured Parties, shall be applied by GE to the GE Secured Obligations in such order as specified in the GE Credit Agreement. Upon the occurrence of the GE Secured Obligations Payment Date, GE shall deliver to the UST Representative any GE Collateral and Proceeds of GE Collateral held by it in the same form as received, with any necessary endorsements or as a court of competent jurisdiction may otherwise direct, to be applied by the UST Representative to the UST Secured Obligations in such order as specified in the UST Loan Documents.

3.2 Cooperation. The UST Representative, on behalf of itself and the other UST Secured Parties, agrees that each of them shall take such actions as the GE Secured Parties shall reasonably request in connection with the exercise by the GE Secured Parties of their rights set forth herein with respect to the GE Collateral.

3.3 Actions Upon Breach.

(a) If any UST Secured Party, contrary to this Agreement, commences or participates in any action or proceeding against GM or the GE Collateral, or otherwise acts (or fails to act) in a manner contrary to this Agreement, GM, with the prior written consent of GE, may interpose as a defense or dilatory plea the making of this Agreement, and any GE Secured Party, as applicable, may intervene and interpose such defense or plea in its or their name or in the name of GM.

(b) If any GE Secured Party acts (or fails to act) in a manner contrary to this Agreement, GM, with the prior written consent of the UST Representative, may interpose as a defense or dilatory plea the making of this Agreement, and any UST Secured Party, as applicable, may intervene and interpose such defense or plea in its or their name or in the name of GM.

(c) Should any UST Secured Party, contrary to this Agreement, in any way take, attempt to or threaten to take any action with respect to the GE Collateral (including, without limitation, any attempt to realize upon or enforce any remedy with respect to this Agreement), or fail to take any action required by this Agreement, any GE Secured Party (in its own name or in the name of GM) may obtain relief against such UST Secured Party by injunction, specific performance and/or other appropriate equitable relief, it being understood and agreed by the UST Representative on behalf of each UST Secured Party that (i) the GE Secured Parties' damages from its actions may at that time be difficult to ascertain and may be irreparable, and (ii) each

UST Secured Party waives any defense that the GE Secured Parties cannot demonstrate damage and/or be made whole by the awarding of damages.

(d) Should any GE Secured Party, contrary to this Agreement, in any way take, attempt to or threaten to take any action with respect to the GE Collateral (including, without limitation, any attempt to realize upon or enforce any remedy with respect to this Agreement), or fail to take any action required by this Agreement, any UST Secured Party (in its own name or in the name of GM) may obtain relief against such GE Secured Party by injunction, specific performance and/or other appropriate equitable relief, it being understood and agreed by GE on behalf of each GE Secured Party that (i) the UST Secured Parties' damages from its actions may at that time be difficult to ascertain and may be irreparable, and (ii) each GE Secured Party waives any defense that the UST Secured Parties cannot demonstrate damage and/or be made whole by the awarding of damages.

3.4 Inspection Rights. Any GE Secured Party and its representatives and invitees may exercise its inspection rights with respect to the GE Collateral as permitted by the GE Credit Agreement, without notice to, the involvement of or interference by any UST Secured Party or liability to any UST Secured Party.

3.5 Notices of Certain Events.

(a) GE hereby agrees to notify the UST Representative promptly after learning of the occurrence of any of the following events: (i) the occurrence of any default or event of default or situation which, but for the passage of time, would constitute a default or event of default under the GE Credit Agreement to the extent it has sent a notice to (in which case a copy of such notice shall be simultaneously sent to the UST Representative), or received a notice from, GM with respect thereto; (ii) any Refinancing of all or any portion of the GE Secured Obligations; and (iii) any amendment, modification, restatement or supplement to the terms of the GE Credit Agreement. Further, GE agrees to provide at least the lesser of (x) three days' or (y) the number of days remaining in any applicable UST Standstill Period, notice to the UST Representative of GE's intent to exercise and enforce its rights and remedies with respect to the GE Collateral or to institute an Insolvency Proceeding against GM on account of the GE Secured Obligations.

(b) The UST Representative hereby agrees to notify GE promptly after learning of the occurrence of any of the following events: (i) the occurrence of any default or event of default or situation which, but for the passage of time, would constitute a default or event of default under the UST Loan Documents, to the extent it has sent a notice to (in which case a copy of such notice shall be simultaneously sent to GE), or received a notice from, GM with respect thereto; (ii) any Refinancing of all or any portion of the UST Secured Obligations; and (iii) any amendment, modification, restatement or supplement to the terms of the UST Loan Documents. Further, the UST Representative agrees to provide at least three days' notice to GE of the UST Representative's intent to exercise and enforce its rights and remedies with respect to the GE Collateral (subject to Section 3.1(a) above) or to institute an Insolvency Proceeding against GM on account of the UST Secured Obligations.

(c) Except as expressly provided in this Agreement, each of the Secured Parties agrees that, without the necessity of any reservation of rights against it, and without notice to or

further assent by it, any demand for repayment of any of the Secured Obligations may be rescinded in whole or in part by the applicable Secured Party, and any Secured Obligation may be continued, and any Secured Obligations, or the liability of GM upon or for any part thereof, or any collateral or guarantee therefor or right of offset with respect thereto, may, from time to time, in whole or in part, be renewed, extended, modified, accelerated, compromised, waived, surrendered, or released by the applicable Secured Party, in each case without notice to or further assent by the other Secured Parties, and without impairing, abridging, releasing or affecting the subordination and other agreements provided for herein.

Section 4. Rights as Unsecured Creditor.

Notwithstanding anything contained herein to the contrary, the Secured Parties hereby agree that they shall not assert any rights and remedies as an unsecured creditor against GM in a manner which would contravene the understandings and agreements set forth herein including, without limitation, with respect to Lien and payment priority, consenting to DIP Financing, and requests for adequate protection.

Section 5. Miscellaneous.

5.1 Notices. All notices, demands, requests, consents, approvals or other communications required, permitted, or desired to be given hereunder (any of the foregoing, a "Notice") shall be in writing sent by facsimile (with answer back acknowledged) or by registered or certified mail, postage prepaid, return receipt requested, or delivered by hand or reputable overnight courier addressed to the party to be so notified at its address set forth below, or to such other address as such party may hereafter specify. Any such notice, demand, request, consent, approval or other communication shall be deemed to have been received: (a) upon receipt (or first refused delivery) if mailed, (b) on the date of sending by facsimile if sent during business hours on a Business Day (otherwise on the next Business Day), (c) on the date of delivery by hand if delivered during business hours on a Business Day (otherwise on the next Business Day) and (d) on the next Business Day if sent by an overnight commercial courier. All written notices so given shall be deemed effective upon receipt or, if mailed, upon the earlier to occur of receipt or first refused delivery.

5.2 Mutual Consent. The UST Representative, in its capacity as lender under the UST Credit Agreement, hereby consents to the entry by GM into the Third Amendment and performance by GM of their obligations thereunder. The consent set forth in this Section 5.2 is intended, and shall be deemed, to satisfy the requirements of Section 11.04 of the UST Credit Agreement with respect to a modification of a provision of the UST Credit Agreement.

GE confirms that GM and any of its Subsidiaries are permitted under the GE Credit Agreement to, subject to the terms of the UST Loan Documents and this Agreement, grant Liens on any GE Collateral in favor of the UST Representative, for the benefit of the UST Secured Parties; provided however, that any such Liens upon the GE Collateral (a) shall be junior in priority to the Liens securing the GE Secured Obligations, and (b) are subject to this Agreement or an intercreditor agreement with GE in form and substance acceptable to such party in its sole discretion.

5.3 Other Rights Reserved. Except as expressly provided herein, GE, each of the other GE Secured Parties, the UST Representative and each of the other UST Secured Parties reserve all rights with respect to (a) objecting in any Insolvency Proceeding or otherwise to any action taken by any other party to this Agreement with respect to the GE Collateral or otherwise, including the seeking by any party hereto of adequate protection (other than as provided in Sections 2.1(f) and 2.1(j) above), or the assertion by any party hereto of any of its rights and remedies under the GE Credit Agreement or the UST Loan Documents or any other agreement, instrument or document, and (b) seeking to provide any DIP Financing to GM, and objecting (subject to the provisions of Section 2.1(d) above) to any proposal for DIP Financing made by any other party.

5.4 Counterparts. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Agreement or any document or instrument delivered in connection herewith by telecopy shall be effective as delivery of a manually executed counterpart of this Agreement or such other document or instrument, as applicable.

5.5 Authorization. By its signature, each person executing this Agreement on behalf of a party hereto represents and warrants to the other parties hereto that it is duly authorized to execute this Agreement.

5.6 APPLICABLE LAW. THIS AGREEMENT SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

5.7 SUBMISSION TO JURISDICTION; WAIVERS.

(a) ALL JUDICIAL PROCEEDINGS BROUGHT AGAINST ANY PARTY ARISING OUT OF OR RELATING HERETO MAY BE BROUGHT IN ANY STATE OR FEDERAL COURT OF COMPETENT JURISDICTION IN THE STATE, COUNTY AND CITY OF NEW YORK. BY EXECUTING AND DELIVERING THIS AGREEMENT, EACH PARTY, FOR ITSELF AND IN CONNECTION WITH ITS PROPERTIES, IRREVOCABLY:

(i) ACCEPTS GENERALLY AND UNCONDITIONALLY THE NONEXCLUSIVE JURISDICTION AND VENUE OF SUCH COURTS;

(ii) WAIVES ANY DEFENSE OF FORUM NON CONVENIENS;

(iii) AGREES THAT SERVICE OF ALL PROCESS IN ANY SUCH PROCEEDING IN ANY SUCH COURT MAY BE MADE BY REGISTERED OR CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE APPLICABLE PARTY AT ITS ADDRESS FOR NOTICES AS PROVIDED HEREIN; AND

(iv) AGREES THAT SERVICE AS PROVIDED ABOVE IS SUFFICIENT TO CONFER PERSONAL JURISDICTION OVER THE APPLICABLE PARTY IN ANY SUCH PROCEEDING IN ANY SUCH COURT, AND OTHERWISE CONSTITUTES EFFECTIVE AND BINDING SERVICE IN EVERY RESPECT.

(b) EACH OF THE PARTIES HERETO HEREBY AGREES TO WAIVE ITS RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING HEREUNDER. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER HEREOF, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. EACH PARTY HERETO ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO A BUSINESS RELATIONSHIP, THAT EACH HAS ALREADY RELIED ON THIS WAIVER IN ENTERING INTO THIS AGREEMENT, AND THAT EACH WILL CONTINUE TO RELY ON THIS WAIVER IN ITS RELATED FUTURE DEALINGS. EACH PARTY HERETO FURTHER WARRANTS AND REPRESENTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING (OTHER THAN BY A MUTUAL WRITTEN WAIVER SPECIFICALLY REFERRING TO THIS SECTION 5.7(b) AND EXECUTED BY EACH OF THE PARTIES HERETO), AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS HERETO. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

(c) EACH OF THE PARTIES HERETO WAIVES ANY RIGHT IT MAY HAVE TO TRIAL BY JURY WITH RESPECT TO ANY LITIGATION BASED ON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, VERBAL OR WRITTEN STATEMENT OR ACTION OF ANY PARTY HERETO.

5.8 Binding on Successors and Assigns. This Agreement shall be binding upon the parties hereto and their respective successors, assigns, participants and any holder of all or any portion of the indebtedness covered by this Agreement, whether such interest is legal, economic or otherwise.

5.9 Amendment. No amendment, modification or waiver of any of the provisions of this Agreement shall be deemed to be made unless the same shall be in writing signed on behalf of each of the Secured Parties or their authorized agent and each waiver, if any, shall be a waiver only with respect to the specific instance involved and shall in no way impair the rights of the parties making such waiver or the obligations of the other parties to such party in any other respect or at any other time. Notwithstanding the foregoing, GM shall not have any right to consent to or approve any amendment, modification or waiver of any provision of this Agreement.

5.10 Effectiveness; Continuing Nature of this Agreement; Severability. This Agreement shall become effective when executed and delivered by the parties hereto. This Agreement, which the parties hereto expressly acknowledge is a "subordination agreement" under Section 510(a) of the Bankruptcy Code, shall be effective before, during and after the commencement of an Insolvency Proceeding, and the terms of this Agreement shall survive, and

shall continue in full force and effect, in any Insolvency Proceeding, and after the occurrence of either or both the GE Secured Obligations Payment Date and the UST Secured Obligations Payment Date. The rights and obligations under this Agreement of each party hereto shall not be affected by the vote of any party hereto to accept or reject a plan of reorganization or liquidation proposed in any Insolvency Proceeding relating to GM, the GE Collateral, or the receipt by any party hereto of any cash, securities or other property distributed in any Insolvency Proceeding, except as expressly provided in this Agreement. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall not invalidate the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. All references to GM shall include GM as debtor and debtor in possession and any receiver or trustee for GM in any Insolvency Proceeding.

5.11 No Third Party Beneficiaries. This Agreement and the rights and benefits hereof shall inure to the benefit of each of the parties hereto and its respective successors and assigns. No other person shall have or be entitled to assert rights or benefits hereunder. GM understands that this Agreement is for the sole benefit of the Secured Parties and their respective successors and assigns, and that neither GM nor any of its Subsidiaries or Affiliates are intended beneficiaries or third party beneficiaries of this Agreement or any of the provisions hereof.

5.12 Priority of UST Liens. Each UST Secured Party acknowledges and agrees that it will not use any right it might have as a U.S. Governmental Authority to claim any Lien on or interest in the GE Collateral securing the UST Secured Obligations that would be treated differently in any manner than the manner in which its Liens on the GE Collateral securing the UST Secured Obligations are treated under this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Intercreditor Agreement to be duly executed by their respective authorized officers as of the day and year first written above.

GENERAL MOTORS CORPORATION

By: _____
Name: Adil Mistry
Title: Assistant Treasurer

Address for Notices:

767 Fifth Avenue, 14th Floor,
New York, NY - 10153
Attn: Manager Structured Finance
Tel: 212 418 6219
Fax: 212 418 6419

With Copies to:

Legal Staff
23rd Floor
300 Renaissance Center
Detroit, MI 48265-3000
Attn: Martin Darvick

GELCO CORPORATION d/b/a GE FLEET SERVICES

By: Christina L Selby
Name: Christina L Selby
Title: Senior Vice President - Finance

Address for Notices:

GE Corporate Financial Services
201 Merritt
Norwalk, Connecticut 06856-5201
Attn: Operations Site Leader - 2nd Floor
Tel: 203 956-4146
Fax: 203 229-5788

With Copies to:

GE Commercial Finance, Fleet Services
3 Capital Drive
Eden Prairie, MN 55344
Attn: Loan Operations Leader
Tel: (952) 828-1000
Fax: (952) 828-2742

and

GE Commercial Finance, Fleet Services
3 Capital Drive
Eden Prairie, MN 55344
Attn: General Counsel
Tel: (952) 828-1000
Fax: (952) 828-2742

THE UNITED STATES DEPARTMENT OF THE TREASURY

By:_____

Name: Neel Kashkari
Title: Interim Assistant Secretary of the Treasury for Financial Stability

Address for Notices:
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220
Attention: Chief Counsel Office of Financial Stability
Facsimile: (202) 927-9219

EXHIBIT B

GM February 17 Plan
Viability Determination

Summary

The Loan and Security Agreement of December 31, 2008 between the General Motors Corporation and the United States Department of the Treasury ("LSA") laid out conditions that needed to be met by March 31, including the approval of Labor Modifications, VEBA Modifications, and the commencement of a Bond Exchange (all as defined in the LSA).

As of the date of this memo, the above steps have not been completed, nor are they expected to be completed by March 31. As a result, General Motors has not satisfied the terms of its loan agreement. Additionally, after substantial effort and review, the President's Designee[1] has concluded that the GM plan, in its current form, is not viable and will need to be restructured substantially while GM operates under an amendment to the existing LSA. It is strongly believed, however, that such a substantial restructuring will lead to a viable GM.

This determination of viability was based on a thorough review, as conducted by the Task Force and its outside advisors and as summarized below, of the Company's submitted plan and prospects. While there were many individual considerations, no single factor was critical to the assessment. Rather, the ultimate determination of viability was based upon a total consideration of all relevant factors, taken as a whole.

General Motors is in the early stages of an operational turnaround in which the Company has made material progress in a number of areas, including purchasing, product design, manufacturing, brand rationalization and its dealer network. Despite these steps, a great deal more progress needs to be made, and GM's plan contemplates initiatives that will take many years to complete. In the end, GM's plan is based on a number of assumptions that will be very challenging to meet without a more dramatic restructuring in which many of its planned changes are accelerated. A few highlights:

- **Market Share:** GM has been losing market share to its competitors for decades, yet its plan assumes only a very moderate decline, despite reducing fleet sales and shuttering brands that represent 1.8% of its current market share.
- **Price:** The plan assumes improvement in net price realization despite a severely distressed market, lingering consumer quality perceptions, and an increase in smaller vehicles (where the Company has previously struggled to maintain pricing power).
- **Brands/Dealers:** The Company is currently burdened with underperforming brands, nameplates and an excess of dealers. The plan does not act aggressively enough to curb these problems.
- **Product mix:** GM earns a large share of its profits from high-margin trucks and SUVs, which are vulnerable to a continuing shift in consumer preference to smaller vehicles. Additionally, while the Chevy Volt holds promise, it will likely be too expensive to be commercially successful in the short-term.
- **Legacy liabilities:** In GM's plan, its cash needs associated with legacy liabilities grow to unsustainable levels, reaching approximately $6 billion per year in 2013 and 2014.

Moreover, even under the Company's optimistic assumptions, the Company continues to experience negative free cash flow (before financing but after legacy obligations) through the projection period, failing a fundamental test of viability.

In short, while the Company has made meaningful progress in its turnaround plan over the last few years, the progress has been far too slow, allowing the Company to continue to lag the best-in-class competitors. As a result, the President's Designee has found that General Motors' plan is not viable as it is currently structured. However, because of GM's scale, franchise and progress to date, we believe that there could be a viable business within GM if the Company and its stakeholders engage in a substantially more aggressive restructuring plan.

Detailed Determination

The Loan and Security Agreement of December 31, 2008 between the General Motors Corporation and the United States Department of the Treasury ("LSA") laid out various conditions that needed to be met by March 31, including:

(a) Approval of the Labor Modifications (Compensation Reductions, the Severance Rationalization and the Work Rule Modifications) by the members of the Unions;

(b) Receipt of all necessary approvals of the VEBA Modifications other than regulatory and judicial approvals; provided, that the Borrower must have filed and be diligently prosecuting applications for any necessary regulatory and judicial approvals; and

(c) The commencement of an exchange offer to implement a Bond Exchange.

As of the date of this memo, none of the above steps has been completed. As a result, General Motors has not satisfied the terms of its loan agreement.

The LSA also requires that the President's Designee review the Restructuring Plan Report in order to determine whether General Motors has taken all necessary steps to achieve and sustain the long-term viability, international competitiveness and energy efficiency of the Company and its subsidiaries

Since receiving the Company's plan on February 17th, the Government has engaged in substantial efforts to assess its viability. This work has involved staff from the Department of the Treasury, National Economic Council, Council of Economic Advisors as well as the numerous other Cabinet agencies involved in the President's Task Force on the Auto Industry. The working group has also worked extensively with several dozen individuals at industry-leading consulting, financial advisory and law firms. Numerous outside experts and affected stakeholders have been consulted. As a result of this work, the President's Designee has concluded that the General Motors plan, in its current form, is not viable and will need to be restructured substantially in order to lead to a viable General Motors. It is strongly believed, however, that such a substantial restructuring will lead to a viable General Motors.

While the President's Designee considered many factors when assessing viability, the most fundamental benchmark was the following: for a business to be viable, it must be able – after accounting for spending on research and development and capital expenditures necessary to maintain and enhance the company's competitive position -- to generate positive cashflow and earn an adequate return on capital over the course of a normal business cycle.

Progress to date:

General Motors is in the early stages of an operational turnaround in which GM has made material progress in a number of areas:

- Purchasing: GM has organized its purchasing globally, with its purchasing organization taking advantage of GM's global scale, and has put into place a rigorous, metric-oriented approach to drive supplier quality and cost improvements.
- Product design: GM has refined its product design process to create global vehicle platforms, thus allowing GM to reduce engineering costs and improve the content of its cars. These global platforms leverage the scale of the business and allow GM to amortize product development costs over a large range

of models. GM has also, since 2005, focused on customer needs, interior designs, styling and quality to provide more attractive products. Examples of successes of this initiative include the 2008 North American Car of the Year Chevy Malibu and the 2008 Motor Trend Car of the Year Cadillac CTS (though they constitute a modest share of GM's portfolio today).

- Manufacturing: GM has worked to create greater flexibility within its facilities, allowing for increased capacity utilization and an enhanced ability to spread its significant fixed costs across a broader car base.
- Brand rationalization: The recently announced decisions to divest or shut down Saab, Saturn and Hummer, while late, were important steps in reducing the Company's brand portfolio and allowing it to focus its financial and human resources on a smaller number of higher quality brands.
- Dealer network: GM has been eliminating dealers from markets where it is oversaturated, as well as eliminating dealers who are either unprofitable or create a poor customer experience.

However, it is important to recognize that a great deal more progress needs to be made, and that GM's plan is based on fairly optimistic assumptions that will be challenging in the absence of a more aggressive restructuring.

- The plan contemplates that each of its restructuring initiatives will continue well into the future, in some cases until 2014, before they are complete.
  - The slow pace at which this turnaround is progressing undermines the Company's ability to compete against large, highly capable and well-funded competitors. GM's plan forecasts it to catch up to (and, in some cases, surpass) its competitors' current performance metrics; however, its key competitors are constantly working to improve as well, potentially leaving GM further behind over time.
- Given the slow pace of the turnaround, the assumptions in GM's business plan are too optimistic.
  - Market Share
    - GM has been losing market share slowly to its competitors for decades. In 1980, GM's US market share was 45%; in 1990, GM's US share was 36%, in 2000, its share was 29%. In 2008, its share was 22%. In short, GM has been losing 0.7% per year for the last 30 years.
      - Yet, in its forecast, GM assumes a much slower rate of decline, 0.3% per year until 2014, even though it is reducing fleet sales and shuttering brands which represent a loss of 1.8% market share, of which only a fraction will be retained. Management's plan to achieve this is driven by a reduction in nameplates and an ensuing increase in marketing spend per nameplate.
      - Furthermore, in the current plan, GM has retained too many unprofitable nameplates that tarnish its brands, distract the focus of its management team, demand increasingly scarce marketing dollars and are a lingering drag on consumer perception, market share and margin.
  - Price
    - In 2006 and 2007, GM North America achieved a 30.4% contribution margin. Then, the plan assumes, despite a severely distressed market, that margins increase to 30.8% in 2009 and 30.7% in 2010. These figures remain at 30.9% in 2013 and 30.3% in 2014, despite GM's plan to increase its focus on passenger cars and crossovers, which have traditionally earned lower margins.
    - Fundamentally, the lingering consumer perception is that GM makes lower-quality cars (despite meaningful improvements in the last few years), which in turn leads to greater discounting, which harms GM's price realizations and depresses profitability. These lower price points are an important impediment to enhanced GM profitability and need to be reversed over time in order for GM to bring its margins into line with its best-in-class peers.

- Brands/dealers
  - GM has been successfully pruning unprofitable or underperforming dealers for several years. However, its current pace will leave it with too many such dealers for a long period of time while requiring significant closure costs that its competitors will not incur. These underperforming dealers create a drag on the overall brand equity of GM and hurt the prospects of the many stronger dealers who could help GM drive incremental sales.
- Europe
  - GM's European operations have experienced negative results for at least the last decade with a sharp decline in market share from 12.9% to 9.3% between 1995 and 2008, leaving the Company with high fixed costs and low capacity utilization.
  - The European business is seeking additional capital beyond the funds requested from the Treasury. These funds have not been allocated and thus represent a risk to the viability of GM's current plan.
- Product mix and CAFE compliance
  - GM earns a disproportionate share of its profits from high-margin trucks and SUVs and is thus vulnerable to energy cost-driven shifts in consumer demand. For example, of its top 20 profit contributors in 2008, only nine were cars.
  - GM is at least one generation behind Toyota on advanced, "green" powertrain development. In an attempt to leapfrog Toyota, GM has devoted significant resources to the Chevy Volt. While the Volt holds promise, it is currently projected to be much more expensive than its gasoline-fueled peers and will likely need substantial reductions in manufacturing cost in order to become commercially viable
  - Absent the successful introduction of a number of new-generation nameplates, as described in the Company's plan, GM's product portfolio is more vulnerable to CAFE standard increases than the portfolios of many of its competitors (although GM is in compliance today with current standards). Many of its products fail to meet the minimum threshold on fuel economy and rank in the bottom quartile of fuel economy achievement.
- Legacy liabilities – cash costs
  - As GM moves through its forecast period, its cash needs associated with legacy liabilities grow, reaching approximately $6 billion per year in 2013 and 2014. To meet this cash outflow, GM needs to sell 900,000 additional cars per year, creating a difficult burden that leaves it fighting to maximize volume rather than return on investment.

- Even under the Company's optimistic assumptions, the Company remains breakeven, at best, on a free cash flow basis throughout the projection period, thus failing the fundamental test of viability.
  - Under its own plan, GM generates $14.5bn of negative free cash flow over its 6 year forecast period. Even in 2014, on its own assumptions, GM generates negative free cash flow after servicing legacy obligations.
  - Given the highly challenging current market, the Company is already behind plan in its overall volume expectations and market share for calendar year 2009.
  - Since the Company has built a plan with little margin for error, even slight swings in its assumptions produce significant and ongoing negative cash flows. For example, a 1% share miss in overall global sales, all else being equal, in 2014 would lead to a $2 billion cash flow reduction in that year.

In short, while the Company has made meaningful progress in its turnaround plan over the last few years, the progress has been far too slow, allowing the Company to continue to lag the best-in-class competitors. Furthermore, even if the projected plan is achieved, the cash flow forecast is quite modest, leaving the Company little margin for error in what will

be a very difficult turnaround. As a result, the President's Designee has found that General Motors' plan is not viable as it is currently structured. However, given the improvements that have been made to date, and the path on which these improvements place GM, we believe that there could be a viable business within GM if the Company and its stakeholders engage in a substantially more aggressive restructuring plan.

Obama Administration New Path to Viability for GM & Chrysler

In accordance with the March 31, 2009 deadline in the U.S. Treasury's loan agreements with General Motors and Chrysler, the Obama Administration is announcing its determination of the viability of the companies, pursuant to their February 17, 2009 submissions, and is laying out a new finite path forward for both companies to restructure and succeed. These findings and new framework for success are consistent with the President's commitment to support an American auto industry that can help revive modern manufacturing and support our nation's effort to move toward energy independence, but only in the context of a fundamental restructuring that will allow these companies to prosper without taxpayer support.

Key Findings

- **Viability of Existing Plans:** The plans submitted by GM and Chrysler on February 17, 2009 did not establish a credible path to viability. In their current form, they are not sufficient to justify a substantial new investment of taxpayer resources. Each will have a set period of time and an adequate amount of working capital to establish a new strategy for long-term economic viability.

- **General Motors:** While GM's current plan is not viable, the Administration is confident that with a more fundamental restructuring, GM will emerge from this process as a stronger more competitive business. This process will include leadership changes at GM and an increased effort by the U.S. Treasury and outside advisors to assist with the company's restructuring effort. Rick Wagoner is stepping aside as Chairman and CEO. In this context, the Administration will provide GM with working capital for 60 days to develop a more aggressive restructuring plan and a credible strategy to implement such a plan. The Administration will stand behind GM's restructuring effort.

- **Chrysler:** After extensive consultation with financial and industry experts, the Administration has reluctantly concluded that Chrysler is not viable as a stand-alone company. However, Chrysler has reached an understanding with Fiat that could be the basis of a path to viability. Fiat is prepared to transfer valuable technology to Chrysler and, after extensive consultation with the Administration, has committed to building new fuel efficient cars and engines in U.S. factories. At the same time, however, there are substantial hurdles to overcome before this deal can become a reality. Therefore, the Administration will provide Chrysler with working capital for 30 days to conclude a definitive agreement with Fiat and secure the support of necessary stakeholders. If successful, the government will consider investing up to the additional $6 billion requested by Chrysler to help this partnership succeed. If an agreement is not reached, the government will not invest any additional taxpayer funds in Chrysler.

- **A Fresh Start to Implement Aggressive Restructurings:** While Chrysler and GM are different companies with different paths forward, both have unsustainable liabilities and both need a fresh start. Their best chance at success may well require utilizing the bankruptcy code in a quick and surgical way. Unlike a liquidation, where a company is broken up and sold off, or a conventional bankruptcy, where a company can get mired in litigation for several years, a structured bankruptcy process – if needed here – would be a tool to make it easier for General Motors and Chrysler to clear away old liabilities so they can get on a path to success while they keep making cars and providing jobs in our economy.

Key Findings, Cont.

- **A Commitment to Consumer Warrantees:** The Administration will stand behind new cars purchased from GM or Chrysler during this period through an innovative warrantee commitment program.

- **Appointment of a Director of Auto Recovery:** The Administration also announced that Edward Montgomery, a top labor economist and former Deputy Secretary of Labor, will serve as Director of Recovery for Auto Workers and Communities. Dr. Montgomery will work to leverage all resources of government to support the workers, communities and regions that rely on the American auto industry.

Detailed Findings on GM and Chrysler Plans

GENERAL MOTORS

Viability Determination: Based on extensive analysis and the advice of a range of financial and industry advisors, the Administration has determined that GM has not presented a viable plan that would succeed, even in an improved economic environment. While GM has made progress in its turnaround to date, GM's current plan will not result in a healthy company that is meaningfully cash flow positive in a normalized business environment and thus able to support its operations and obligations without continued government support. (A summary of the Administration's findings is provided separately).

The Administration does believe that there is a path to a viable GM and is confident that the company can emerge from this crisis as a strong, competitive business. However, this will require a more aggressive strategy to transform the company's operations than the current management has designed and deeper stakeholder concessions than those specified in the initial loan agreement.

New Framework for a Fresh Start Restructuring: Today, GM is announcing that Rick Wagoner is stepping aside as Chairman and CEO. Kent Kresa will serve as interim Chairman and current President Fritz Henderson will serve as CEO. GM is embarking on a process with the goal of replacing a majority of the board over the coming months. When complete, these changes will bring fresh thinking and new vision to the Company while maintaining a degree of continuity in the current challenging environment.

In this context, the Administration is willing to provide GM with adequate working capital for a finite period of 60 days to develop and implement a more aggressive plan. During this period, the Administration team, consisting of Treasury officials as well as private sector auto industry and restructuring experts retained by the Administration, will work closely with the company. These industry and restructuring experts will help focus this process on:

- *Sustainable profitability:* A viable GM should be able to generate meaningful positive free cash flow in a normalized business environment, generate net free cash flow over the course of a business cycle and invest capital in research and development and capital expenditures sufficient to maintain or enhance its competitive position while also earning an adequate return on its capital.

- *A healthy balance sheet:* The restructuring must substantially reduce GM's outstanding debt and existing liabilities to a level where they are consistent with both its normalized cash flow and the cyclical nature of its business. Given the deterioration in the auto market since late last year, this will require substantially greater balance sheet concessions than those called for in the existing loan agreements.

- *More aggressive operational restructuring:* The restructuring plan must rapidly achieve full competitiveness with foreign transplants and more aggressively implement significant manufacturing, headcount, brand, nameplate and retail network restructurings.

- *Technology leadership:* The new GM will have a significant focus on developing high fuel-efficiency cars that have broad consumer appeal because they are cost-effective, have good performance and are reliable, durable and safe.

In order to execute a new, more aggressive restructuring plan within 60 days, we will work with GM to use all available tools to implement this plan. The best path to achieve this may well be an expedited, court-supervised process to extinguish unsustainable liabilities, should an out-of-court restructuring not be possible. The Administration is prepared to stand by GM throughout this process to ensure that GM emerges with a fresh start and a promising future. Consumers thinking about buying a GM car and workers and communities that depend on this iconic American company should have confidence that GM can and will come out of this crisis as a stronger, leaner and more competitive car company.

CHRYSLER

Viability Determination: After extensive consultation, the Administration has determined that Chrysler has not demonstrated that it can achieve long-term viability as a stand-alone company. In particular, Chrysler's plan contains a number of assumptions that are unrealistic or overly optimistic. (A summary of the Administration's findings is provided separately).

Independent financial analysts and industry experts are nearly unanimous in their views that, to be competitive in the decades to come, auto companies will need to transform their processes and products to improve efficiency, reduce costs and offer a higher-quality, more fuel-efficient fleet. These transformations will require substantial investment that Chrysler – according to its own plan – is not capable of making. Therefore, the Administration does not believe that on its own, Chrysler can achieve the scale or depth of product mix necessary to compete in the 21st century global auto market.

Chrysler/Fiat Partnership: Chrysler has also proposed a partnership with Fiat, which has the potential to address some of these problems and provide Chrysler with a path to viability. A Chrysler/Fiat alliance could lead to Chrysler manufacturing fuel-efficient vehicles using Fiat's technology while benefiting from the managerial expertise of the Fiat senior leadership that successfully led a turnaround in Fiat over the past five years. In addition, the product mix and geographic reach of both companies is very complementary.

The original partnership was unacceptable for several reasons, including the fact that Fiat could have gained majority ownership of Chrysler before American taxpayers had their investment in the company paid back. After consulting with the President's Auto Task Force, Chrysler and Fiat have agreed to important changes to their original agreement that would provide greater protections for U.S. taxpayers and would help ensure that new, fuel efficient Chrysler cars and engines are built in the U.S.

Finite Period to Pursue a Deal: However, while the Administration sees promise in this deal, substantially more needs to be accomplished to make this plan viable. In this context, the Administration is willing to provide Chrysler with 30 days of working capital to execute an acceptable partnership. The Administration believes Chrysler is being given a reasonable opportunity to finalize the agreement but is unwilling, in the absence of a long-term solution, to continue to invest taxpayer dollars in this company.

If a definitive agreement is reached, the Administration is willing to consider lending up to the additional $6 billion requested by Chrysler to help the plan succeed. If the Chrysler/Fiat partnership has not been successfully concluded within 30 days, and in the absence of another viable partnership, the government will not invest any additional money in the company.

Requirements for Additional Government Support: Fiat, Chrysler and all of Chrysler's stakeholders must clearly understand that for this deal to succeed, significant hurdles must be cleared:

- First, Chrysler must restructure its balance sheet so that it has a sustainable debt burden. This at a minimum will require extinguishing the vast majority of Chrysler's outstanding secured debt and all of its unsecured debt and equity, other than trade creditors providing normal trade terms.

- Second, Chrysler, Fiat and the UAW need to reach an agreement that entails greater concessions than those outlined in the existing loan agreements.

- Third, Chrysler and Fiat need to demonstrate with a greater degree of detail an operating plan that is truly viable, that can generate meaningful positive cash flow in a normal business environment and that can demonstrate credibly that taxpayer loans will be repaid on a timely basis.

- Fourth, the final plan agreed by Chrysler, Fiat and their stakeholders must not, under appropriately conservative operating assumptions, require than $6 billion of post-restructuring loans from the U.S Treasury.

- Fifth, Chrysler must have a viable, adequately capitalized mechanism to finance the purchase of Chrysler cars by its dealers and customers.

- Finally, Chrysler needs a credible plan to execute this restructuring. Given the magnitude of the concessions needed, the most effective way for Chrysler to emerge from this restructuring with a fresh start may be by using an expedited bankruptcy process as a tool to extinguish liabilities.

SUPPORT FOR CONSUMERS AND THE AUTO INDUSTRY

The Administration is committed to standing behind a tough but necessary industry restructuring that will result in stronger, more viable American car companies. During this process, the Administration wants to ensure that consumers have confidence in the cars they buy and suppliers that depend on viable auto companies have some support to weather this storm. Our actions are not intended to slow the necessary

consolidation and rationalization of key elements of the auto industry, but will help stabilize the industry during this period of transition.

Protection of consumer warrantees: Consumers who are considering new car purchases should have the confidence that even in this difficult period, their warrantees will be honored. That is why the Administration is launching an innovative new program that will provide government-funded protection for warrantees issued by participating domestic auto manufacturers. The program will be available for all new warranties on new vehicles purchased from participating auto manufacturers during the period in which those manufacturers are restructuring. Both General Motors and Chrysler have already indicated their intention to participate. Details on this program are provided HERE.

Supplier support program: Trade creditor support will be essential to the success of the effort to restructure GM and Chrysler. The vast majority of the trade at GM and, as part of the Fiat deal, at Chrysler, will carry through the process and be fully paid. In addition, the Administration recently announced a new $5 billion Supplier Support Program. This program is already providing suppliers with the confidence they need to continue shipping their parts and the support they need to help access loans to pay their employees and continue their operations. The Administration will work closely with the car companies to implement this program in the weeks ahead and monitor closely the state of the automotive supply base.

Unlocking the Flow of Credit for Consumers and Dealers: A healthy automotive industry requires consumers who want to buy cars and are creditworthy to have access to credit. Unfortunately, in the current financing environment, even consumers with excellent credit histories have difficulty gaining access to credit. The Administration remains committed to improving access to credit in general and with respect to automotive purchases specifically. The launch of the Term Asset-Backed Securities Loan Facility (TALF) has expanded the funding available for retail auto loans, thereby directly helping consumers. And the Administration remains committed to facilitating the access to funding for the automotive finance companies that provide credit to these consumers. These efforts will be continued and expanded upon to ensure that consumers have the financing they need to purchase vehicles going forward.

AUTO TASK FORCE INITIATIVE TO SUPPORT AND REVITALIZE AUTO INDUSTRY WORKERS AND COMMUNITIES

The President is fully committed to standing behind the American auto industry, which is the backbone of our manufacturing base. To this purpose, the President's Task Force on Autos is launching a new initiative to support and help revitalize American auto communities. The Administration's goal is to both help revitalize the American auto industry and to help manufacturing communities in Michigan and the broader region create new businesses, new jobs and bring in new industries for a stronger economic future. And when despite all of our best efforts, individuals and communities are hard hit -- we will take all possible steps to ensure we are working as swiftly and in as coordinated a fashion as possible to provide relief and paths to re-employment.

This government-wide effort will require substantial leadership and coordination. Today, the President appointed Ed Montgomery, former Deputy Secretary of the Labor Department and current Dean at the University of Maryland, to become Director of Recovery for Auto Communities and Workers. Dr. Montgomery has more than 25 years experience working on issues related to worker training and local economic development and has worked first hand with State and local government agencies and non-profits in Michigan and Ohio on strategies to revitalizing areas hit by job loss.

EXHIBIT D

Hearing Date and Time: To Be Determined
Response Deadline: December 13, 2010
EVIDENTIARY HEARING REQUESTED

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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re	:	**Chapter 11**
MOTORS LIQUIDATION COMPANY, *et al.*,	:	**Case No.: 09-50026 (REG)**
Debtors.	:	**(Jointly Administered)**

OFFICIAL COMMITTEE OF UNSECURED CREDITORS' FIRST AMENDED OBJECTION TO CLAIMS FILED BY GREEN HUNT WEDLAKE, INC. AND NOTEHOLDERS OF GENERAL MOTORS NOVA SCOTIA FINANCE COMPANY AND MOTION FOR OTHER RELIEF

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Hearing Date and Time: November 18, 2010 at 9:45 a.m. (Prevailing Eastern Time)
Response Deadline: November 15, 2010 at 12:00 p.m. (Prevailing Eastern Time)
EVIDENTIARY HEARING REQUESTED

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The Official Committee of Unsecured Creditors of Motors Liquidation Company f/k/a General Motors Corporation (the "**Committee**"), by its attorneys Butzel Long, a professional corporation, respectfully submits this: (i) objection to claims set forth in Exhibit A attached hereto filed by, or on behalf of, certain holders of notes (the "**Noteholders**") issued by General Motors Nova Scotia Finance Company ("**Nova Scotia Finance**") against Motors Liquidation Company f/k/a General Motors Corporation ("**Old GM**") and certain of its subsidiaries (collectively, the "**Debtors**") in the aggregate amount of $1,072,557,531.72 (the "**Guarantee Claims**"); (ii) objection to claim no. 66319 filed by Green Hunt Wedlake, Inc., trustee of Nova

Scotia Finance (the "**Nova Scotia Finance Trustee**") against the Debtors in the amount of $1,607,647,592.49 (the "**Duplicative Claim**," and together with the Guarantee Claims, the "**Claims**"); and (iii) motion for relief under Rule 60(b) of the Federal Rules of Civil Procedure and Rule 9024 of the Federal Rules of Bankruptcy Procedure. This objection amends the *Official Committee of Unsecured Creditors' Objection to Claims Filed by Green Hunt Wedlake, Inc. and Noteholders of General Motors Nova Scotia Finance Company and Motion for Other Relief* (Docket No. 6248), filed on July 2, 2010 in this bankruptcy proceeding.[1] In support of this application, the Committee states as follows:

INTRODUCTION

1. This objection concerns claims that arise out of an agreement between Old GM and a consortium of hedge-fund noteholders,[2] which was entered into just minutes before Old GM filed for bankruptcy on June 1, 2009. The agreement, known as the "**Lock-Up Agreement**," was grossly one-sided, disproportionately benefiting the Noteholders and leaving Old GM's estate depleted to the detriment of its creditors.

2. Before entering into the Lock-Up Agreement, the Noteholders had an approximately one billion dollar claim against Old GM, as guarantor of Notes (defined below) issued by Nova Scotia Finance, a subsidiary of Old GM. The proceeds from issuance of the Notes were loaned by Nova Scotia Finance to General Motors of Canada Limited ("**GM**

[1] The Committee respectfully requests the Court's permission, pursuant to Rule 3007(b) of the Federal Rules of Bankruptcy Procedure, to join these objections to the Claims in a single filing because the Claims were all asserted for the benefit of the Noteholders and involve common facts and circumstances.

[2] The hedge-fund Noteholders party to the Lock-Up agreement are Aurelius Capital Partners, LP, Aurelius Capital Master, Ltd., Drawbridge DSO Securities LLC, Drawbridge OSO Securities LLC, Elliot International, L.P., FCOF UB Securities LLC, Appaloosa Investment Limited Partnership I, The Liverpool Limited Partnership, Palomino Fund Ltd., Thoroughbred Master Ltd. and Thoroughbred Fund LP, and are hereinafter referred to as the "**Lock-Up Noteholders**."

Canada") in documented intercompany transactions. Through the Lock-Up Agreement, the Noteholders are now effectively asserting a claim against Old GM that is well more than double their maximum one billion dollar claim under the Old GM guarantee:

3. First, under the Lock-Up Agreement, the Noteholders have already been paid an exorbitant "consent fee" in excess of $369 million, funded by Old GM. ***The "consent fee" paid to the Noteholders was a disguised principal payment on the Notes that should have been credited against the principal amount due to the Noteholders under the Notes, thereby reducing the total exposure on Old GM's unsecured guarantee of the Notes to approximately $703 million ($1.072 billion minus $369 million).***

4. Second, under the Lock-Up Agreement, Old GM is obligated to allow and not contest the Guarantee Claims and the Duplicative Claim with a combined face amount of approximately $2.67 billion for the benefit of the Noteholders. ***If allowed, these combined claims would total more than 3.7 times the $703 million net principal amount due to the Noteholders under the Notes.***

5. Third, under the Lock-Up Agreement, GM Canada's intercompany obligations to Nova Scotia Finance were released. Consequently, pursuant to the terms of the Lock-Up Agreement, Old GM became obligated to pay amounts owed on the Notes without any contribution from GM Canada, which would have, and should have, correspondingly reduced Old GM's obligation under the guarantee of the Notes. In essence, creditors of GM Canada were given a "free ride" at the expense of Old GM's creditors.

6. In sum, the Lock-Up Agreement transformed what should have been, at the very most, a $703 million guarantee claim against Old GM based upon the balance owed by Nova Scotia Finance on the principal amount under the Notes into claims against the Old GM estate

that exceed $2.67 billion. In exchange for incurring all of the above obligations, Old GM received only a release from certain trumped up litigation claims filed by certain Noteholders, which posed minimal litigation risk to Old GM.

7. The circumstances surrounding the Lock-Up Agreement and the terms thereof demonstrate that the Lock-Up Noteholders behaved inequitably, attempting to opt out of the consequences of Old GM's bankruptcy by virtue of a private, pre-bankruptcy agreement that benefited the Noteholders at the expense of Old GM's creditors.

8. These Claims, however, are not insulated from this Court's scrutiny. According to the Lock-Up Agreement, Old GM consented to these Claims, but only to the fullest extent permitted under applicable law. For the reasons set forth herein, the Court should disallow the Claims in their entirety or, alternatively, reduce the Claims because they far exceed what is permitted by applicable law. To the extent the Claims are not disallowed, the Court should equitably subordinate them.

JURISDICTION AND VENUE

9. The Committee seeks the relief requested herein under 11 U.S.C. §§ 105(a), 502 and 510, Rule 60(b) of the Federal Rules of Civil Procedure, and Rules 3007 and 9024 of the Federal Rules of Bankruptcy Procedure.

10. This Court has subject matter jurisdiction to consider and determine this matter pursuant to 28 U.S.C. §§ 1334 and 157. This matter constitutes a "core" proceeding within the meaning of 28 U.S.C. §§ 157(b)(1) and 157(b)(2)(A), (B) and (O).

PARTIES

11. The Debtors filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**") on June 1, 2009 (the "**Petition Date**") in the United States Bankruptcy Court for the Southern District of New York.

12. On June 3, 2009, the United States Trustee for the Southern District of New York appointed the Committee, pursuant to section 1102 of the Bankruptcy Code.

13. The Nova Scotia Finance Trustee was appointed bankruptcy trustee of the estate of Nova Scotia Finance on October 9, 2009.

14. The Lock-Up Noteholders are those entities listed in footnote 2 above, all of which are parties to the Lock-Up Agreement.

15. The Noteholders are those entities on behalf of which Claims were filed.

BACKGROUND

I. Corporate Relationships

16. The Lock-Up Agreement involves the Lock-Up Noteholders, Old GM and various entities related to Old GM, including Nova Scotia Finance, General Motors Nova Scotia Investments Limited ("**Nova Scotia Investments**") and GM Canada. At all relevant times, Old GM was a publicly-traded corporation incorporated under the laws of Delaware and engaged in the automotive business.

17. At all relevant times Nova Scotia Finance was a Nova Scotia unlimited liability company whose sole shareholder was Old GM. Nova Scotia Finance was organized on September 28, 2001 and was a direct, wholly-owned subsidiary of Old GM.

18. At all relevant times Nova Scotia Investments was a Nova Scotia limited company whose sole shareholder was Old GM.

19. At all relevant times GM Canada was a Canadian corporation whose sole shareholder was Old GM.

II. The 2003 Notes Offering

20. On July 10, 2003, Nova Scotia Finance issued £350,000,000 principal amount of 8.375% guaranteed notes due December 7, 2015 (the "**2015 Notes**") and £250,000,000 principal amount of 8.875% guaranteed notes due July 10, 2023 (the "**2023 Notes**" and together with the 2015 Notes, the "**Notes**") to certain beneficial owners.

21. The Notes were guaranteed by Old GM and issued under a fiscal and paying agency agreement dated July 10, 2003 among Nova Scotia Finance as issuer, Old GM as guarantor, Deutsche Bank Luxembourg S.A., as fiscal agent, and Banque Générale du Luxembourg S.A., as paying agent.

22. The July 9, 2003 disclosure provided in connection with issuance of the Notes (the "**Offering Circular**") stated that the proceeds therefrom would be provided, directly or indirectly, to Old GM as part of an overall effort to improve Old GM's balance sheet.

III. The Swaps

23. Upon issuance of the Notes, Nova Scotia Finance entered into two currency swap transactions with Old GM on July 10, 2003, whereby Old GM exchanged pounds sterling for Canadian dollars on such date. One swap transaction was related to the 2015 Notes, for £350,000,000/CDN$778,204,000, and would expire in 2015 (the "**2015 Swap**"). The other swap transaction was related to the 2023 Notes, for £250,000,000/CDN$555,860,000, and would expire in 2023 (the "**2023 Swap**," and together with the 2015 Swap, the "**Swap Transactions**").

24. In general, the Swap Transactions contemplated annual exchanges of interest payments between the parties based upon then-existing currency rates. Upon termination, assuming appreciation of the Canadian dollar, Old GM would be in the "winning" position and would be "in the money." In other words, in the event that the Canadian dollar appreciated as to the pound sterling, Nova Scotia Finance would be liable to Old GM based on the Swap Transactions (the "**Swap Liability**").

IV. The Intercompany Loans

25. Upon issuance of the Notes and conversion of the proceeds from pounds sterling to Canadian dollars, Nova Scotia Finance loaned such proceeds to GM Canada pursuant to two loan agreements dated July 10, 2003. Pursuant to one loan agreement, Nova Scotia Finance loaned GM Canada CDN$778,204,000, at an annual interest rate of 9.42%, which principal amount would be due and payable on December 7, 2015 (the "**2015 Intercompany Loan**"). Pursuant to the other loan agreement, Nova Scotia Finance loaned GM Canada CDN$555,860,000 at an annual interest rate of 10.20%, which principal amount would be due and payable on July 10, 2023 (the "**2023 Intercompany Loan**," and together with the 2015 Intercompany Loan, the "**Intercompany Loans**").

V. The Nova Scotia Action

26. During 2009, Lock-Up Noteholders Aurelius Capital Partners, LP, Aurelius Capital Master, Ltd., Drawbridge DSO Securities LLC, Drawbridge OSO Securities LLC, FCOF UB Securities LLC, Appaloosa Investment Limited Partnership I, Palomino Fund Ltd., Thoroughbred Master Ltd. and Thoroughbred Fund LP, owning approximately 63% of the Notes, became concerned about collecting the principal amount of their Notes upon maturity.

27. In an attempt to secure payment on their Notes by any means possible, those Lock-Up Noteholders filed a lawsuit on March 2, 2009 (the "**Nova Scotia Complaint**") against Old GM, Nova Scotia Finance, Nova Scotia Investments, GM Canada and certain individual officers and directors of such entities in the Supreme Court of Nova Scotia (the "**Nova Scotia Action**").

28. The crux of the Nova Scotia Complaint was directed at Nova Scotia Finance, alleging that the ability of Nova Scotia Finance to satisfy its obligations under the Notes was dependent upon Nova Scotia Finance's receipt of amounts owed to it by Nova Scotia Investments and GM Canada. The Nova Scotia Complaint alleged, among other things, oppressive conduct by the defendants named therein.

29. As to Old GM, the claims asserted in the Nova Scotia Complaint lacked a strong legal basis. The Nova Scotia Complaint challenged the legality of various transfers from Nova Scotia Finance and Nova Scotia Investments to Old GM, despite the clear language in the Offering Circular that the proceeds of the Notes were intended to benefit Old GM.

30. Specifically, the Nova Scotia Complaint challenged, among other transactions, two May 22, 2008 transfers, of CDN$16,000,000 and $500,000 respectively, from Nova Scotia Finance to Old GM and another May 22, 2008 transfer of CDN$576,672,670 from Nova Scotia Investments to Old GM (collectively, the "**May 22, 2008 Transfers**").

VI. The Nova Scotia Response

31. As set forth in the April 21, 2009 amended statement of defense filed by the defendants in the Nova Scotia Action (the "**Nova Scotia Response**"), the allegations contained in the Nova Scotia Complaint were without merit. In particular, as noted in the Nova Scotia Response, the Offering Circular expressly advised the Noteholders that all or substantially all of

the proceeds from the Notes would be used to benefit Old GM. Furthermore, Nova Scotia Finance had no legal obligation to maintain any level of assets or share capital, and was not required to satisfy any test of solvency before making the May 22, 2008 Transfers. Accordingly, Old GM's financial exposure from the Nova Scotia Action was minimal.

VII. The Lock-Up Agreement

32. Although notice of the May 22, 2008 Transfers was publicly filed at the Registry of Joint Stock Companies of Nova Scotia on May 27, 2008, such Noteholders waited until Old GM was in an extremely precarious position before suing, in an attempt to extract disproportionate value from Old GM. These Noteholders succeeded in this tactic, preying upon Old GM's vulnerable position to negotiate an outrageous settlement of the Nova Scotia Action.

33. On June 1, 2009, the same day that Old GM filed for bankruptcy protection, the settlement negotiations between Old GM and these Noteholders resulted in an agreement with the Lock-Up Noteholders, Nova Scotia Finance, GM Canada and Nova Scotia Investments identified as the "Lock-Up Agreement." The Lock-Up Agreement was an attempt by the Lock-Up Noteholders to avoid the impending automatic stay and obtain preferential treatment from Old GM. Although the Lock-Up Agreement was executed on Old GM's Petition Date, it was contingent upon the passage of an "extraordinary resolution" by Nova Scotia Finance to be voted upon by all Noteholders, which vote could not occur until June 25, 2009. (A copy of the Lock-Up Agreement is annexed hereto as Exhibit B.)

34. As described below, under the Lock-Up Agreement, the Lock-Up Noteholders agreed to settle the Nova Scotia Action based on Old GM incurring a slew of obligations out of all proportion to the limited benefit conferred on Old GM by the Lock-Up Noteholders. The obligations incurred by Old GM under the Lock-Up Agreement included, among others, (a)

allowing and not contesting guarantee claims for the full amount of the Notes aggregating in excess of $1 billion; (b) consenting to a duplicative "deficiency claim" for Nova Scotia Finance's underlying liability on those same Notes; (c) allowing Nova Scotia Finance, through a trustee, to assert a claim against Old GM based upon the Swap Liability in excess of $564 million, even though the Swap Liability was, in fact, owed by Nova Scotia Finance to Old GM; (d) funding a consent fee to the Lock-Up Noteholders in an amount in excess of $369 million; and (e) releasing intercompany loans that, if not released, would have substantially reduced Old GM's exposure on its guarantee. These obligations are summarized below:

A. Guarantee Obligations

35. Notwithstanding the substantial additional consideration conveyed to the Lock-Up Noteholders under the Lock-Up Agreement, Old GM agreed to acknowledge that the Noteholders' claims based on Old GM's guarantee of the Notes would be enforceable, valid and allowed when asserted in their full amount without reduction (the "**Guarantee Obligations**"), but only to the fullest extent permitted under applicable law.

B. Deficiency Obligation and Nova Scotia Finance's Consent to Bankruptcy

36. By consenting to entry of a bankruptcy order under Canada's Bankruptcy and Insolvency Act as required by the Lock-Up Agreement, Nova Scotia Finance provided two claims to the Noteholders on account of a single obligation: the principal amount due under the Notes. Pursuant to that Canadian bankruptcy order, a bankruptcy trustee was to be appointed in order to assert an allowed claim for contribution against Old GM, as sole shareholder of Nova Scotia Finance, based on Nova Scotia Finance's structure as an unlimited liability company.

37. This provision of the Lock-Up Agreement was designed to enable the Lock-Up Noteholders to claim the amounts owed on the Notes from Old GM through the Nova Scotia Finance Trustee as a "doubling up" on the Guarantee Obligations. In fact, an internal Old GM accounting memorandum dated as of July 20, 2009 states that "[r]ecognition of a guarantee liability in addition to the original bond payable would effectively double-count the obligation." As creditors of Nova Scotia Finance, the Noteholders had no direct recourse against Old GM, except under the Guarantee Obligations. Nevertheless, by consenting to the Canadian bankruptcy proceeding mentioned above, Old GM voluntarily opened itself up to liability on the Nova Scotia Finance Trustee's claim for contribution for any amounts unpaid to the Noteholders without correspondingly reducing its exposure on the Guarantee Obligations.

C. Reversal of Swap Liability

38. Old GM had a claim against Nova Scotia Finance for the Swap Liability, the amount of which (approximately $564 million) Old GM agreed could be included as part of the Nova Scotia Finance Trustee's Duplicative Claim against Old GM, putatively based upon Nova Scotia Finance's status as an unlimited liability company under Nova Scotia law. Further, to the extent any portion of the inflated Duplicative Claim were to be disallowed, Old GM's claim for the Swap Liability would be subordinated to the Claims. Thus, under the Lock-Up Agreement, any amounts received by Old GM on the Swap Liability were to be held in trust by Old GM and then paid over for the benefit of the Noteholders. Through this artifice, the Swap Liability was transformed from an amount owed to Old GM into an amount payable from Old GM, ultimately for the benefit of Nova Scotia Finance's creditors – the Noteholders.

39. As part of the section 363 sale in these bankruptcy proceedings, the swap contract was transferred to General Motors LLC ("**New GM**"), thereby putting the swap beyond Old

GM's control. New GM has asserted a claim against Nova Scotia Finance for the full amount of the Swap Liability ($564 million) (the "**New GM Swap Claim**"), resulting in the inclusion of that amount in the Duplicative Claim against Old GM. To the extent that New GM is bound by the Lock-Up Agreement's subordination provision with respect to the Swap Liability, any payments to the Nova Scotia Finance Trustee based upon the New GM Swap Claim will be for the benefit of the Noteholders until the Noteholders are paid in full on the Notes. The magnitude of the Swap Liability and the significance of its transfer to New GM was never discussed or explained to Old GM's creditors, even though that transfer has resulted in the assertion of a $564 million claim against Old GM. At a minimum, Old GM's creditors should have been notified that the transfer of the Swap Liability would ultimately result in the assertion of a $564 million claim against Old GM for the benefit of the Noteholders, and also should have been afforded a meaningful opportunity to object to the transfer.

D. Consent Fee

40. Under the Lock-Up Agreement, the Lock-Up Noteholders also received a "consent fee" of £223,303,500 (or approximately $369 million) plus reimbursement of their legal costs (the "**Consent Fee**"). Although these amounts were putatively to be paid by Nova Scotia Finance, in reality, it was Old GM that funded the Consent Fee based on a transfer of funds on May 29, 2009 to GM Canada just three days before Old GM filed its bankruptcy petition. Notwithstanding that Old GM was the ultimate source of funds and that those funds had already been transferred to GM Canada "to be held in trust" for Nova Scotia Finance, Old GM's June 1, 2009 8-K stated only that GM Canada would provide the funding for the Consent Fee.

41. Although the Consent Fee is exorbitant on its face and plainly constitutes a thinly-disguised payment towards the principal amount due under the Notes, the Lock-Up Agreement

provides that the Consent Fee would not reduce, limit or impair the outstanding principal under the Notes, Old GM's Guarantee Obligations or Old GM's "deficiency claim."

E. Release of Intercompany Loans

42. Under the Lock-Up Agreement, GM Canada was released by Nova Scotia Finance from its obligation to repay the Intercompany Loans it owed to Nova Scotia Finance. As a result of this release, Old GM became the sole source of funds available to Nova Scotia Finance to pay its debts, further eliminating any possibility that the obligations under the Notes would be borne by any parties other than Old GM's creditors.

43. Thus, through the Lock-Up Agreement, Old GM and the Lock-Up Noteholders wrongfully ensured that debts and obligations of GM Canada and Nova Scotia Finance would be satisfied on the backs of Old GM's creditors.

VIII. Post-Petition Implementation of the Lock-Up Agreement

44. All of the transactions that were key to implementing the Lock-Up Agreement occurred post-petition. On June 25, 2009, nearly a month after the Petition Date, the extraordinary resolution authorizing the Lock-Up Agreement was passed. On that same date, escrow funds that had been committed by Old GM for payment of the Consent Fee were released to the Lock-Up Noteholders.

45. Also on June 25, 2009, as contemplated by the Lock-Up Agreement, Nova Scotia Finance and GM Canada entered into a settlement agreement releasing the Intercompany Loans. As already explained above, as a result of the release of these Intercompany Loans, GM Canada extricated itself from financial responsibility for any amounts due to the Noteholders, thereby burdening Old GM with liability for the Notes pursuant to the Guarantee Claims and the Duplicative Claim.

IX. Assumption of the Lock-Up Agreement

46. On July 5, 2009, upon the Debtors' motion, this Court approved the sale of substantially all of the Debtors assets to New GM in the Order (I) Authorizing Sale of Assets Pursuant to Amended and Restated Master Sale and Purchase Agreement; (II) Authorizing Assumption and Assignment of Certain Executory Contracts and Unexpired Leases in Connection with the Sale; and (III) Granting Related Relief (Docket No. 2968) (the "**Assumption Order**").

47. Among other things, the Assumption Order provides that the Debtors are authorized and directed to assume and assign to New GM those assumable executory contracts that have been designated by New GM for assumption.

48. Upon information and belief, at some time thereafter, Old GM purported to assume the Lock-Up Agreement and assign it to New GM. The Committee was not provided with any notice of Old GM's intention to assume the Lock-Up Agreement, even though the Lock-Up Agreement substantially and detrimentally affects the interests of Old GM's unsecured creditors. These actions were intended to improperly insulate the Lock-Up Agreement from meaningful scrutiny by Old GM's creditors and this Court.

49. Given the extraordinary scope and unusual nature of the Lock-Up Agreement, Old GM should have been required to make a showing that the Lock-Up Agreement was an executory contract under the Bankruptcy Code susceptible to being assumed, and that assumption of the Lock-Up Agreement was a proper exercise of Old GM's sound business judgment and in the best interests of its estate. Old GM made no such showing.

50. The Committee anticipates that the Noteholders and the Nova Scotia Finance Trustee will assert that Old GM's assumption of the Lock-Up Agreement bars, in whole or in

part, the Committee's current objection to the Claims, as well as future objections and litigation potentially to be filed by the Committee. While such a defense would be without merit, in an abundance of caution, the Committee hereby requests that this Court void the Assumption Order under Rule 60(b) of the Federal Rules of Civil Procedure and Rule 9024 of the Federal Rules of Bankruptcy Procedure, but only to the extent that the Assumption Order authorized the Debtors to assume and/or assign the Lock-Up Agreement and any other obligations incident thereto, including those concerning the Swap Transactions.

X. Proofs of Claim

51. On November 30, 2009, the Nova Scotia Finance Trustee filed the Duplicative Claim.[3] More than one billion dollars of the Duplicative Claim relates to the principal amount owed under the Notes by Nova Scotia Finance to the Noteholders. The remainder of the Duplicative Claim relates to the Swap Liability described above, which became a purported obligation of Old GM only by virtue of the Lock-Up Agreement.

52. Also, on November 30, 2009, fourteen Noteholders filed their respective Guarantee Claims (claim nos. 66216, 66217, 66218, 66265, 66266, 67429, 67499, 66267, 66312, 67428, 67430, 67498, 67500 and 67501). In addition to those fourteen claims, forty one Guarantee Claims were filed by or on behalf of various Noteholders (claim nos. 1558, 12042, 31168, 31868, 31167, 37319, 60567, 61481, 63955, 64332, 64340, 65554, 65765, 65784, 70201, 66206, 68705, 68941, 1556, 23323, 29128, 29379, 29647, 29648, 49548, 60234, 60547, 60566, 61915, 64298, 66769, 67345, 70200, 67244, 67245, 69306, 69307, 69308, 69309, 69552 and 69734). (All of the individual guarantee claims are listed in Exhibit A hereto and are referred to as the "**Individual Claims**.") Because the Individual Claims concern Old GM's guarantee of the

[3] The Duplicative Claim is referred to in the Lock-Up Agreement as the "Deficiency Claim."

principal amount of the Notes, they are entirely duplicative of the guarantee component of the Duplicative Claim filed by the Nova Scotia Finance Trustee for the benefit of the Noteholders. In addition, the Individual Claims fail to account for the fact that, on the eve of bankruptcy, Old GM paid the Lock-Up Noteholders more than $369 million – an amount that should correspondingly reduce Old GM's obligation under the guarantee.

53. On December 10, 2009, Greenberg Traurig, LLP filed Guarantee Claim no. 69551 in the amount of $314,071,424.08[4] on behalf of all Noteholders other than those who filed the fourteen claims referred to in the first sentence of paragraph 52 above (the "**Protective Claim**"). Because the Protective Claim is also a Guarantee Claim, it concerns Old GM's guarantee of the principal amount of the Notes, and thus, like the Individual Claims, it is entirely duplicative of the guarantee component of the Duplicative Claim filed by the Nova Scotia Finance Trustee for the benefit of the Noteholders. Like the Individual Claims, the Protective Claim fails to account for the fact that, on the eve of bankruptcy, Old GM paid the Lock-Up Noteholders more than $369 million.

RELIEF REQUESTED

A. The Claims Should be Disallowed Under Section 502(d) of the Bankruptcy Code Because the Noteholders Received and Retained the Consent Fee

54. Section 502(d) of the Bankruptcy Code provides that the court shall disallow any claim of any entity that is a transferee of a transfer avoidable under, among others, sections 544, 547, 548 or 549 of the Bankruptcy Code.

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[4] Paragraph 3 of the attachment to claim no. 69551 describes the amount of such claim as $1,072,557,531.72 less the amount of certain individual proofs of claim listed on Exhibit C annexed to such attachment. The total amount of individual proofs of claim listed on Exhibit C is $758,486,107.64. Accordingly, claim no. 69551 represents the difference, which is equal to $314,071,424.08.

1. The Consent Fee is Avoidable Under Sections 544, 547 and/or 548 of the Bankruptcy Code

55. Section 547 of the Bankruptcy Code provides that any transfer of an interest of the debtor in property is avoidable if such transfer was (i) to or for the benefit of a creditor, (ii) for or on account of an antecedent debt owed by the debtor before such transfer was made, (iii) made on or within ninety days before the petition date and (iv) enabled such creditor to receive more than such creditor would receive if the case were under chapter 7 of title 11 of the Bankruptcy Code. Section 548 of the Bankruptcy Code provides that any transfer of an interest of the debtor in property on or within two years before the petition date is avoidable if the debtor received less than reasonably equivalent value in exchange for such transfer. Sections 273 and 278 of the New York Debtor and Creditor Law (the "**NYDCL**"), made applicable by section 544 of the Bankruptcy Code, provide that every conveyance made by an insolvent entity is fraudulent as to creditors and therefore avoidable if such conveyance is made without fair consideration.

56. Here, Old GM transferred the Consent Fee merely three days before the Petition Date, for the benefit of the Lock-Up Noteholders on account of its guarantee of the Notes, which enabled the Lock-Up Noteholders to receive more than they would if this case were under chapter 7 of title 11 of the Bankruptcy Code. Because Old GM's transfer of the Consent Fee for the benefit of the Noteholders is avoidable under section 547 of the Bankruptcy Code, the Claims should be disallowed under section 502(d) of the Bankruptcy Code.

57. Similarly, Old GM did not receive reasonably equivalent value or fair consideration in exchange for its transfer of the Consent Fee. In accordance with the Lock-Up Agreement, Old GM agreed to fund the Consent Fee for the benefit of the Lock-Up Noteholders in exchange for a release from litigation that posed minimal risk to Old GM. Because Old GM's transfer of the Consent Fee is avoidable under section 548 of the Bankruptcy Code, as well as

sections 273 and 278 of the NYDCL, the Claims should be disallowed under section 502(d) of the Bankruptcy Code because the Lock-Up Noteholders have not returned the Consent Fee.

2. Alternatively, the Consent Fee is Avoidable Under Section 549 of the Bankruptcy Code

58. Section 549 of the Bankruptcy Code provides that a transfer of property of the estate that occurs after the petition date and that is not authorized by the court is avoidable.

59. Payment of the Consent Fee required several post-petition transfers of estate property that were not authorized by this Court. As explained above, on or about June 25, 2009, nearly a month after the Petition Date, escrow funds that had been committed by Old GM for payment of the Consent Fee were transferred to Nova Scotia Finance and then released to the Lock-Up Noteholders. To the extent that the Consent Fee is deemed to have been transferred post-petition, the payment of the Consent Fee to the Noteholders is avoidable under section 549 of the Bankruptcy Code. Accordingly, the Claims should be disallowed under section 502(d) of the Bankruptcy Code because the Lock-Up Noteholders have not returned the Consent Fee.

B. Old GM's Obligations Under the Lock-Up Agreement are Avoidable Under Applicable Law

1. Old GM's Obligations under the Lock-Up Agreement are Avoidable Under Section 548 of the Bankruptcy Code and the NYDCL

60. The Noteholders and the Nova Scotia Finance Trustee should not be permitted to rely upon the Lock-Up Agreement as a basis for asserting claims beyond what is permitted by applicable law because Old GM's obligations under the Lock-Up Agreement are avoidable under section 548 of the Bankruptcy Code and sections 273, 276 and 278 of the NYDCL.

61. Section 548 of the Bankruptcy Code provides that any transfer of an interest of the debtor in property and any obligation incurred by the debtor on or within two years before

the petition date is avoidable if the debtor (a) received less than reasonably equivalent value in exchange for such transfer or obligation or (b) made such transfer or incurred such obligation with actual intent to hinder, delay or defraud creditors. The NYDCL provides that every conveyance made and obligation incurred by an insolvent entity is fraudulent as to creditors and therefore avoidable if such conveyance is made or obligation is incurred (a) without fair consideration (NYDCL §§ 273 and 278) or (b) with actual intent to hinder, delay or defraud either present or future creditors (NYDCL §§ 276 and 278).

62. Here, Old GM did not receive reasonably equivalent value or fair consideration in exchange for the obligations it incurred under the Lock-Up Agreement. As explained above, in exchange for a release from litigation that posed minimal risk to Old GM, Old GM agreed to (a) allow and not contest guarantee claims for the full amount of the Notes aggregating in excess of $1 billion; (b) consent to a duplicative "deficiency claim" for Nova Scotia Finance's underlying liability on those same Notes; (c) acknowledge Nova Scotia Finance's consent to entry of a bankruptcy order under Canada's Bankruptcy and Insolvency Act so that Nova Scotia Finance, through the Nova Scotia Finance Trustee, could assert such a "deficiency claim" against Old GM based on Nova Scotia Finance's structure as an unlimited liability company; (d) allow Nova Scotia Finance, through the Nova Scotia Finance Trustee, to assert a claim against Old GM based upon the Swap Liability in excess of $564 million, even though the Swap Liability was, in fact, owed by Nova Scotia Finance to Old GM; (e) fund a consent fee to the Lock-Up Noteholders in an amount in excess of $369 million; and (f) release intercompany loans that, if not released, would have substantially reduced Old GM's exposure on its guarantee.

63. Further, Old GM incurred the obligations under the Lock-Up Agreement with actual intent to hinder, delay, or defraud its creditors, which intent can be inferred from the "badges of fraud" noted above.

64. Because the Lock-Up Agreement is avoidable under section 548 of the Bankruptcy Code and sections 273, 276 and 278 of the NYDCL, it cannot serve as a basis for the Nova Scotia Finance Trustee and the Noteholders to argue that their inflated Claims should be allowed.

2. Alternatively, the Lock-Up Agreement Constitutes an Unauthorized Settlement Under Rule 9019 of the Federal Rules of Bankruptcy Procedure

65. Rule 9019 of the Federal Rules of Bankruptcy Procedure requires bankruptcy court approval of a post-petition compromise or settlement, after notice and a hearing.

66. Here, implementation of the Lock-Up Agreement required several post-petition events and transfers of estate property that were not authorized by the Court, and as to which notice was not provided. As explained above, on or about June 25, 2009, nearly a month after the Petition Date, (a) the extraordinary resolution authorizing the Lock-Up Agreement was passed, (b) escrow funds that had been committed by Old GM for payment of the Consent Fee were transferred to Nova Scotia Finance and then released to the Lock-Up Noteholders, (c) Nova Scotia Finance and GM Canada entered into a settlement agreement releasing the Intercompany Loans and (d) Nova Scotia Finance consented to entry of a bankruptcy order under Canada's Bankruptcy and Insolvency Act.

67. To the extent that the settlement reflected in the Lock-Up Agreement occurred post-petition, the settlement was unauthorized under Rule 9019 of the Federal Rules of Bankruptcy Procedure for lack of notice and court approval.

C. Alternatively, the Claims are Duplicative and Far in Excess of the Underlying Obligation

68. To the extent that the Guarantee Claims are allowed at all, as a matter of basic claims administration, it is necessary to reduce the Protective Claim by the Individual Claims to prevent overstating the total amount of Guarantee Claims asserted against Old GM. Further, the face amount of the Guarantee Claims should be reduced by the amount of the Consent Fee because it constitutes a payment towards the principal amount due under the Notes.

69. More fundamentally, however, the Duplicative Claim should be disallowed entirely because it is duplicative of the Guarantee Claims. It is well established that multiple recoveries for the same injury are disallowed in bankruptcy. To allow the Noteholders to double-dip by recovering on duplicative claims against Old GM would be wholly at odds with fundamental bankruptcy policy favoring equality of distribution among similarly-situated creditors. The Duplicative Claim and the Guarantee Claims seek to recover twice on a single obligation: namely, the principal amount still due under the Notes. Because the Duplicative Claim is premised on the same underlying obligation as the Guarantee Claims, it should be disallowed in its entirety.

D. In any Event, the Claims Should be Equitably Subordinated Under Section 510 of the Bankruptcy Code

70. The Claims should be equitably subordinated pursuant to section 510(c) of the Bankruptcy Code to the extent they are deemed allowed.

71. As set forth above, the Lock-Up Noteholders engaged in, and benefited from, inequitable conduct that resulted in injury to Old GM's creditors and conferred an unfair advantage upon the Noteholders. Moreover, the magnitude of the Swap Liability and the significance of its transfer to New GM were never disclosed to Old GM's creditors. At a

minimum, Old GM's creditors should have been notified that the transfer of the Swap Liability would ultimately result in the assertion of the New GM Swap Claim against Old GM (via the Duplicative Claim) for the benefit of the Noteholders, and also should have been afforded a meaningful opportunity to object to the transfer. The aforementioned inequitable conduct will result in diminished recoveries to creditors of Old GM. The Lock-Up Noteholders' conduct, and that of New GM, has been inequitable, unconscionable and outrageous and has harmed Old GM's creditors and other stakeholders. Such conduct can and should be imputed to the Nova Scotia Finance Trustee.

72. In equity and good conscience, the Claims should be equitably subordinated to the fullest extent permitted by law.

E. The Committee is Entitled to Relief Under Rule 60(b) of the Federal Rules of Civil Procedure and Rule 9024 of the Federal Rules of Bankruptcy Procedure

73. Finally, for the reasons already set forth above, the Committee requests an order voiding the Assumption Order under Rule 60(b) of the Federal Rules of Civil Procedure and Rule 9024 of the Federal Rules of Bankruptcy Procedure, but only to the extent that the Assumption Order authorized the Debtors to assume and/or assign the Lock-Up Agreement and any other obligations incident thereto, including those concerning the Swap Transactions. This request for relief is asserted protectively, in anticipation of the need to respond to the Noteholders' argument that the purported assumption of the Lock-Up Agreement by Old GM, or the transfer of the swap claim to New GM, or the transfer of certain avoidance actions to New GM bars any challenge to the Claims.

RESERVATION OF RIGHTS

74. The Committee respectfully reserves all of its rights under federal, state and Canadian law with respect to the Claims and all other claims asserted by, or for the benefit of, the Lock-Up Noteholders, including but not limited to the right to seek standing from this Court to file an adversary proceeding concerning such claims and seek recovery of all payments made to, or for the benefit of, the Lock-Up Noteholders. The Committee further reserves its right to supplement or amend this application based upon information learned through discovery in this matter.

NOTICE

75. The Committee has provided notice of this application to parties-in-interest in accordance with the Third Amended Order Pursuant to 11 U.S.C. § 105(a) and Fed. R. Bankr. P. 1015(c) and 9007 Establishing Notice and Case Management Procedures, dated April 29, 2010 (Docket No. 5670). The Committee submits that such notice is sufficient and further notice need not be provided. No previous request for the relief sought in this application has been made by the Committee to this or any other court.

WHEREFORE, the Committee requests entry of an order:

(a) disallowing the Claims in their entirety under section 502(d) of the Bankruptcy Code;

(b) alternatively, reducing the total Claims to an amount equal to the principal amount of the Notes less the Consent Fee, which Consent Fee should be recharacterized as a payment against the principal amount of the Notes;

(c) to the extent the Claims are allowed, equitably subordinating the Claims to the claims of all other general unsecured creditors;

(d) voiding the Assumption Order under Rule 60(b) of the Federal Rules of Civil Procedure and Rule 9024 of the Federal Rules of Bankruptcy Procedure, but only to the extent that the Assumption Order authorized the Debtors to assume the Lock-Up Agreement and any other obligations incident thereto, including those concerning the Swap Transactions; and

(e) granting the Committee such other and further relief as the Court deems just and proper.

Dated: New York, New York
November 19, 2010

Respectfully submitted,

BUTZEL LONG, a professional corporation

By: */s/ Eric B. Fisher*

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Special Counsel to the Official Committee of Unsecured Creditors of Motors Liquidation Company f/k/a General Motors Corporation

EXHIBIT A

EXHIBIT A

GUARANTEE CLAIMS (Claim nos. in ascending order)

Claim No.	Claimant/Filer
1556	Collins Stewart (CI) Ltd
1558	Collins Stewart (CI) Ltd
12042	Auerbach, Sylvia
23323	Seipp, Ulrich
29128	Cristina, Lixandroiu Anca
29379	SPH Invest S.A.
29647	Consilium Treuhand AG & Beata Domus Anstalt
29648	Laminet, Maria-Dorothea
31167	Credit Suisse AG
31168	Credit Suisse AG
31868	Cheviot Asset Management
37319	Wagner, Ing. Hugo
49548	Brencourt Credit Opportunities Master, Ltd
60234	Allianz Bank Financial Advisors SPA
60547	Rosa, Rui Manuel Antunes Goncalves
60566	UBS AG, Zurich (Switzerland)
60567	UBS AG, Zurich (Switzerland)
61481	Aziz, Mr Aly
61915	Schoeffel, Johanna
63955	Aziz, Sirdar Aly
64298	CSS, LLC
64332	Schmidseder, Josef
64340	Dettmar, Hermann & Helene
65554	Pedersen, Claus
65765	HFR RVA Advent Global Opportunity Master Trust
65784	The Advent Global Opportunity Master Fund
66206 (amended by claim no. 70201)	Morgan Stanley & Co. International plc
66216	Thoroughbred Fund LP
66217	Palomino Fund LTD
66218	Perry Partners International Inc.
66265	Aurelius Investment LLC
66266	Elliot International LP
66267	The Liverpool Limited Partnership
66312	Perry Partners LP
66769	Banca delle Marche SPA
67244	Prospect Mountain Fund Limited
67245	Ore Hill Credit Hub Fund Ltd
67345 (amended by claim no. 70200)	Morgan Stanley & Co. International plc
67428	Drawbridge DSO Securities LLC
67429	Onex Dept Opportunity Fund, LTD

67430	Redwood Master Fund LTD
67498	Appaloosa Investment Limited Partnership I
67499	FCOF UB Securities LLC
67500	Drawbridge OSO Securities LLC
67501	Thoroughbred Master LTD
68705	Bhalodia RV/RM/Patel RG
68941	Red River Business Inc.
69306	Canyon Value Realization Fund LP
69307	Lyxor/Canyon Value Realization Fund Limited
69308	Canyon-GRF Master Fund, LP
69309	The Canyon Value Realization Fund (Cayman), Ltd
69551	Greenberg Traurig, LLP on behalf of all holders of the Notes.
69552	CitiGroup Global Markets Inc.
69734	Anchorage Capital Master Offshore Ltd
70200	Morgan Stanley & Co. International plc
70201	Morgan Stanley & Co. International plc

GUARANTEE CLAIMS (Claimant/Filer in alphabetical order)

Claim No.	Claimant/Filer
60234	Allianz Bank Financial Advisors SPA
69734	Anchorage Capital Master Offshore Ltd
67498	Appaloosa Investment Limited Partnership I
12042	Auerbach, Sylvia
66265	Aurelius Investment LLC
61481	Aziz, Mr Aly
63955	Aziz, Sirdar Aly
66769	Banca delle Marche SPA
68705	Bhalodia RV/RM/Patel RG
49548	Brencourt Credit Opportunities Master, Ltd
69308	Canyon-GRF Master Fund, LP
69306	Canyon Value Realization Fund LP
31868	Cheviot Asset Management
69552	CitiGroup Global Markets Inc.
1556	Collins Stewart (CI) Ltd
1558	Collins Stewart (CI) Ltd
29647	Consilium Treuhand AG & Beata Domus Anstalt
31167	Credit Suisse AG
31168	Credit Suisse AG
29128	Cristina, Lixandroiu Anca
64298	CSS, LLC
64340	Dettmar, Hermann & Helene
67428	Drawbridge DSO Securities LLC
67500	Drawbridge OSO Securities LLC
66266	Elliot International LP
67499	FCOF UB Securities LLC
69551	Greenberg Traurig, LLP on behalf of all holders of the Notes.
65765	HFR RVA Advent Global Opportunity Master Trust
29648	Laminet, Maria-Dorothea
69307	Lyxor/Canyon Value Realization Fund Limited
66206 (amended by claim no. 70201)	Morgan Stanley & Co. International plc
67345 (amended by claim no. 70200)	Morgan Stanley & Co. International plc
70200	Morgan Stanley & Co. International plc
70201	Morgan Stanley & Co. International plc
67429	Onex Dept Opportunity Fund, LTD
67245	Ore Hill Credit Hub Fund Ltd
66217	Palomino Fund LTD
65554	Pedersen, Claus
66218	Perry Partners International Inc.
66312	Perry Partners LP
67244	Prospect Mountain Fund Limited

68941	Red River Business Inc.
67430	Redwood Master Fund LTD
60547	Rosa, Rui Manuel Antunes Goncalves
64332	Schmidseder, Josef
61915	Schoeffel, Johanna
23323	Seipp, Ulrich
29379	SPH Invest S.A.
65784	The Advent Global Opportunity Master Fund
69309	The Canyon Value Realization Fund (Cayman), Ltd
66267	The Liverpool Limited Partnership
66216	Thoroughbred Fund LP
67501	Thoroughbred Master LTD
60566	UBS AG, Zurich (Switzerland)
60567	UBS AG, Zurich (Switzerland)
37319	Wagner, Ing. Hugo

EXHIBIT B

EXECUTION COPY

LOCK UP AGREEMENT

This Lock Up Agreement (this "**Agreement**"), dated as of June 1, 2009, is entered into by and among General Motors Nova Scotia Finance Company, a Nova Scotia unlimited company (the "**Company**"), General Motors of Canada Limited, a Canadian federal corporation ("**GM Canada**" or "**GMCL**"), GM Nova Scotia Investments Ltd., a Nova Scotia company ("**GM Investments**" and, collectively with the Company and GM Canada, the "**Canadian Entities**"), General Motors Corporation, a Delaware corporation (the "**Guarantor**"), and each of the undersigned beneficial owners (each a "**Holder**" and collectively, the "**Holders**") of the Company's 8.375% Guaranteed Notes due December 7, 2015 (the "**2015 Notes**") or the Company's 8.875% Guaranteed Notes due July 10, 2023 (the "**2023 Notes**" and together with the 2015 Notes, the "**Notes**"). The Holders, the Canadian Entities, the Guarantor and any subsequent person that becomes a party hereto in accordance with the terms hereof are referred to herein as the "**Parties**." Each of the terms used herein not defined herein shall have the meaning given such term in the Fiscal and Paying Agency Agreement, dated as of July 10, 2003 (the "**Fiscal and Paying Agency Agreement**"), among the Company, the Guarantor, Deutsche Bank Luxembourg S.A., as fiscal agent (the "**Fiscal Agent**") and Banque Générale du Luxembourg S.A. governing each series of Notes.

RECITALS

WHEREAS, the Guarantor and certain of its subsidiaries and affiliates who shall be debtors in the Chapter 11 Cases (as defined below) intend to commence on or about June 1, 2009 jointly administered chapter 11 cases (the "**Chapter 11 Cases**") by filing voluntary petitions for relief under chapter 11, title 11 of the United States Code (the "**Bankruptcy Code**"), in the United States Bankruptcy Court for the Southern District of New York (the "**Bankruptcy Court**");

WHEREAS, the Holders, the Canadian Entities and the Guarantor desire to, among other things, take certain actions and consummate certain transactions contemplated hereby to facilitate the resolution and settlement of various direct, indirect or derivative claims and causes of action of the Holders against one or more of the Canadian Entities and the Guarantor and to facilitate the business and financial restructuring of the Guarantor, the other debtors in the Chapter 11 Cases and certain of the Canadian Entities;

WHEREAS, the Company has requested and the Holders have agreed to vote to amend the Fiscal and Paying Agency Agreement and the global securities representing the Notes as contemplated by this Agreement, in exchange for certain cash payments and the preservation in the Chapter 11 Cases of certain direct, indirect or derivative claims and causes of action of the Holders and the Company against the Guarantor;

WHEREAS, in furtherance of the foregoing, the Company shall, in accordance with the terms of the Fiscal and Paying Agency Agreement, convene a meeting (the "**Meeting**") of holders of the Notes for the purpose of passing an extraordinary resolution to amend the Fiscal and Paying Agency Agreement and the global securities representing the Notes to provide for the waiver of certain rights of the holders of the Notes, the release and discharge of certain claims

and demands by such holders and the payment of certain amounts by the Company to the holders of the Notes upon the terms set forth in the form of extraordinary resolution attached hereto as Exhibit A (the "**Extraordinary Resolution**").

WHEREAS, in connection with the transactions contemplated by this Agreement and in accordance with the terms and subject to the conditions hereof, Holders beneficially owning at least two-thirds of the aggregate principal amount of the 2015 Notes and Holders beneficially owning at least two-thirds of the aggregate principal amount of the 2023 Notes intend to vote such Notes in favor of the Extraordinary Resolution;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Support of the Extraordinary Resolution; Additional Covenants.

(a) Each Holder agrees (i) that the Extraordinary Resolution, when duly passed at a Meeting, shall be binding on such Holder; (ii) to deliver or cause to be delivered irrevocably within three Business Days after the date of this Agreement voting instructions, in such form as specified by the Company, in favor of the Extraordinary Resolution at the Meeting at which the Extraordinary Resolution is to be submitted in respect of the principal amount of each series of Notes held by such Holder as set forth on the signature page of such Holder or over which such Holder has voting power; provided such instruction shall cease to be irrevocable and shall become void and of no further force and effect automatically upon termination of this Agreement; (iii) to the extent permitted under the terms of the Fiscal and Paying Agency Agreement, to waive compliance with all covenants contained in the Fiscal and Paying Agency Agreement (other than those applicable to the Company's or the Guarantor's obligations hereunder) and to forebear from exercising their rights thereunder resulting from any default or event of default so long as this Agreement is in effect; and (iv) to cooperate in good faith in satisfying any other conditions required for the passage of the Extraordinary Resolution and the consummation of the transactions contemplated thereby (the "**Transactions**"), including effecting the voting commitments hereunder and the negotiation of any documents or agreements to be executed or implemented in connection therewith, or otherwise contemplated thereby, each of which documents and agreements shall be consistent in all material respects with this Agreement and the Extraordinary Resolution (all such proxies, instructions, documents and agreements, collectively, the "**Transaction Documents**").

(b) Each Holder agrees that it shall not (i) take any action that would cause the acceleration of the payment of principal of or interest on the Notes other than in connection with the liquidation referred to in section 6(b) and except as a result of the Chapter 11 Case of the Guarantor; (ii) propose, vote for, consent to, support or participate in the formulation of any plan or resolution other than Transactions, the Extraordinary Resolution and the Transaction Documents; (iii) other than as provided in Section 6(b) below, directly or indirectly seek, solicit, support or

encourage any plan or resolution, including but not limited to any decree or order for relief in respect of any of the Company, the Guarantor or GM Canada in an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of the Company, the Guarantor or GM Canada or for any substantial part of its property, or ordering the winding-up or liquidation of its affairs, other than the Transactions, the Extraordinary Resolution and the Transaction Documents, or any plan or resolution that reasonably could be expected to prevent, delay or impede the successful passage of the Extraordinary Resolution or implementation of the Transactions; or (iv) directly or indirectly sell, assign, pledge, hypothecate, grant an option on, or otherwise dispose of (each, a "**Transfer**") or permit to subsist any pledge or security interest (save in the normal course of prime brokerage activity) over any of the Notes held by such Holder on the date hereof; provided, however, that any Holder may Transfer any of such Notes to any entity that executes and delivers to the Company a duly executed counterpart of this Agreement. This Agreement shall in no way be construed to preclude any Holder from acquiring additional Notes; provided, however, that any such additional Notes shall automatically be deemed to be subject to all of the terms of this Agreement.

(c) The Company agrees (i) following the giving of the notice in accordance with clause (ii) of this Section 1(c), to convene the Meeting at the earliest time practicable under the terms of the Fiscal and Paying Agency Agreement for the purpose of passing the Extraordinary Resolution in accordance with the requirements of the Fiscal and Paying Agency Agreement, including, without limitation, the requirements of Schedule 4 (Provisions for Meetings of Noteholders) to the Fiscal and Paying Agency Agreement; (ii) within three Business Days after the date of this Agreement to give a notice in respect of the Meeting to holders of the Notes for the purpose of passing the Extraordinary Resolution, which notice shall specify the place, day and hour of the Meeting in accordance with the requirements of the Fiscal and Paying Agency Agreement; (iii) to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper or advisable under applicable laws and regulations to facilitate the compliance by the Holders with their obligations in Section 1(a) of this Agreement; (iv) to otherwise take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper or advisable under applicable laws and regulations to satisfy all conditions required to be satisfied by the Company and the Paying Agent under the Fiscal and Paying Agency Agreement (including the schedules thereto) for the passage of the Extraordinary Resolution and the consummation of the Transactions, (v) to provide written confirmation to the Holders in the event that the Company elects not to move forward with the Transactions, and (vi) to cooperate in good faith in satisfying any other conditions required for the passage of the Extraordinary Resolution and the consummation of the Transactions, including the negotiation of the Transaction Documents, all of which shall be consistent in all material respects with this Agreement and the Extraordinary Resolution.

(d) The Company, GMCL and the Holders agree within three Business Days after the date of this Agreement to establish an escrow account and enter into an escrow agreement with an escrow agent mutually satisfactory to the Parties, which agreement shall incorporate the terms of Exhibit B hereto ("Escrow Agreement").

(e) The Holders agree not to object to the treatment of unsecured creditors previously disclosed in the Current Report on Form 8-K filed by the Guarantor on May 28, 2009.

2. Amounts Payable. The Company agrees that upon approval of the Extraordinary Resolution, it shall pay the amounts specified therein in accordance therewith (the "**Consent Fee**"). The Company further agrees that within three business days after the approval of the Extraordinary Resolution, the Canadian Entities shall reimburse affiliates of Aurelius Capital Management, LP, Appaloosa Management L.P. and Fortress Investment Group LLC for legal fees and costs in the amount of US$2,000,000.

3. Termination of Agreement. This Agreement shall terminate or be terminable, as follows (such date of termination, the "**Termination Date**"): (i) by any Holder upon written notice to the Company on or after July 9, 2009, unless on or prior to such date the Meeting has been convened, the Extraordinary Resolution has been approved and the Company and the Paying Agent have paid of all amounts specified in the Extraordinary Resolution to the holders of the Notes in accordance therewith; (ii) by a Party not then in material breach of this Agreement upon written notice to the other Parties, upon the material breach by any non-terminating Party of any of the representations, warranties or covenants contained in this Agreement or the taking of any action by any non-terminating Party that is otherwise materially inconsistent with this Agreement; (iii) automatically upon the commencement prior to the date on which the Extraordinary Resolution is passed of any voluntary or involuntary case commenced under the Bankruptcy Code (or any proceedings therein), under any Canadian insolvency statutes, the Companies' Creditors Arrangement Act (Canada), the Bankruptcy and Insolvency Act (Canada), or any statute, law, legislation, rule or regulation in respect of corporate reorganization or which provides for the appointment of an interim receiver, receiver, receiver and manager or liquidator, against or involving GM Canada or the Company or any of their assets or properties; or (iv) by any Holder upon written notice to the Company on or after the Transactions contemplated in this Agreement shall have been enjoined or otherwise prohibited by law and such injunction or prohibition is not vacated or otherwise terminated on or before the 10th day after the effectiveness of such injunction or prohibition. Upon termination of this Agreement, all obligations under this Agreement shall terminate and shall be of no further force and effect; provided, however, that (a) any claim for breach of this Agreement shall survive termination and all rights and remedies with respect to such claims shall not be prejudiced in any way; (b) all claims of the Holders with respect to the Consent Fee or any funds held in escrow under the terms of the Escrow Agreement as provided therein shall survive termination and all rights and remedies with respect to such claims shall not be prejudiced in any way, and (c) all rights and remedies set forth in Section 8 shall survive termination and shall not be prejudiced in any way. (i) Upon termination of this Agreement other than as a result of a material breach by the Holders prior to the date of payment of the Consent Fee to the Holders, or (ii) if after the date on which the Extraordinary Resolution is passed the Holders are required to turnover the Consent Fee by reason of any legal proceeding or by reason of any order or judgment of any court or governmental authority requiring such amounts be returned to the Company, all direct, indirect

or derivative claims, causes of action, remedies, defenses, setoffs, rights or other benefits of the Holders against or from one or more of the Canadian Entities and the Guarantor except in the case of clause (ii) of this sentence the individual defendants in the Nova Scotia Proceeding shall be fully preserved without any estoppel, evidentiary or other effect of any kind or nature whatsoever, including, without limitation, all claims and causes of action referred to in Section 5 of this Agreement and the full amount owing under the Loan Agreements as of the date hereof shall be immediately due and payable according to their terms as they exist as of the date hereof.

4. Representations and Warranties. Each of the Parties represents and warrants to each of the other Parties that the following statements are true, correct and complete as of the date hereof:

(a) Power and Authority. It has all requisite power and authority to enter into this Agreement and to carry out the transactions contemplated by, and perform its respective obligations under, this Agreement.

(b) Authorization. The execution and delivery of this Agreement by it and the performance of its obligations hereunder have been duly authorized by all necessary action on its part.

(c) Binding Obligation. Upon execution as set forth in Section 10, this Agreement is the legally valid and binding obligation of it, enforceable against it in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability.

(d) No Conflicts. The execution, delivery and performance by it of this Agreement do not and shall not (i) violate any provision of law, rule or regulation applicable to it or its certificate of incorporation, by-laws, unlimited company agreement or other organizational document or (ii) conflict with, result in a breach of or constitute (with due notice or lapse of time or both) a default under, or give rise to a right of, or result in any termination, cancellation or acceleration of any obligation or to loss of a material benefit under, any material contractual obligation, covenant or condition to which it is a party or under its certificate of incorporation or by-laws (or other organizational documents).

(e) Governmental Consents. The execution, delivery and performance by it of this Agreement do not and shall not require it to obtain or make any registration or filing with, consent or approval of, or notice to, or other action to, with or by, any supranational, national, Federal, state, local, municipal, foreign or provincial government or any court of competent jurisdiction, tribunal, judicial or arbitral body, administrative or regulatory agency (including any stock exchange), public authority, commission or board or other governmental department, bureau, branch, agency, or any instrumentality of any of the foregoing, including, without limitation, the United States Treasury, the Bankruptcy Court or any other United States or Canadian court of competent jurisdiction, or any other third party, which has not already been obtained.

(f) No Proceedings. There is no civil, criminal, administrative or arbitral action, suit, claim, hearing, investigation or proceeding pending or, to the knowledge of such Party, threatened, against such Party or any of its affiliates or subsidiaries that questions the validity of this Agreement or any action taken or to be taken by such Party in connection with the performance or consummation of any transactions contemplated by this Agreement.

(g) Signing Holders. If the undersigned is a Holder, (i) the undersigned is either (A) a "qualified institutional buyer" as defined in Rule 144A promulgated under the Securities Act of 1933, as amended or (B) if resident in Canada, an "accredited investor" as defined in National Instrument 45-106 – *Prospectus and Registration Exemptions*; (ii) the undersigned has such knowledge and experience in financial and business affairs that the undersigned is capable of evaluating the merits and risks of the Transactions; (iii) the undersigned represents and warrants that the principal amount of each series of Notes held by such Holder as set forth on the signature page of such Holder is an accurate amount and that it is the beneficial owner of such Notes free and clear of all liens or other encumbrances, including any encumbrances on the right to vote such Notes under the Fiscal and Paying Agency Agreement; and (iv) the undersigned has the requisite power and authority to vote and grant proxies to vote the aggregate principal amount of the Notes represented as beneficially owned by it.

(h) No Other Creditors of the Company. The Company represents and warrants to the Holders that other than the indebtedness evidenced by the Notes and the Swap Liability (as defined below), the Company has no outstanding direct or indirect liability, indebtedness, obligation, commitment, expense, claim, deficiency, guaranty or endorsement of or by any person or entity of any type, whether accrued, absolute, contingent, matured, unmatured or otherwise in excess of an aggregate of US$2,000,000.

5. Certain Claims.

(a) Nova Scotia Proceeding. Upon the execution of this agreement by the Parties all proceedings in the proceeding in the Supreme Court of Nova Scotia titled Aurelius Capital Partners, LP et al. v. General Motors Corporation et al., Court File No. HFX No. 308066 (the "**Nova Scotia Proceeding**") shall be held in abeyance pending the approval of the Extraordinary Resolution by the Holders of the Notes at the Meeting. Upon the approval of the Extraordinary Resolution at the Meeting and the payment by the Company and the Paying Agent of the Consent Fee to each of the Holders in accordance therewith, each Holder hereby releases and discharges the defendants in the Nova Scotia Proceeding (and the past and/or present directors, officers, employees, partners, insurers, co-insurers, controlling shareholders, attorneys, advisers, consultants, accountants or auditors, personal or legal representatives, predecessors, successors, parents, subsidiaries, divisions, joint ventures, assigns, spouses, heirs, related and/or affiliated entities of each of them) from all claims and demands that are raised in the Nova Scotia Proceeding, and agrees to discontinue the Nova Scotia Proceeding on a without costs basis. Nothing contained in this Agreement shall preclude any Holder from pursuing any of the claims raised in the Nova Scotia Proceeding against any of the Canadian Entities or the Guarantor or any of the other debtors in the Chapter 11 Cases in the event that the

payment of the Consent Fee is successfully challenged by any person in a future proceeding and, as a result, an amount equal to the Consent Fee has been repaid provided, that, this Agreement precludes each Noteholder from pursuing any of the claims raised in the Nova Scotia Proceeding against any of Neil Macdonald, John Stapleton, Mercedes Michel and Maurita Sutedja (and their respective heirs, administrators and assigns) in the event that the payment of the Consent Fee is successfully challenged by any person in a future proceeding.

(b) Intercompany Loan. Upon the approval of the Extraordinary Resolution at the Meeting and the payment by the Company and the Paying Agent of the Consent Fee to each of the Holders in accordance therewith, each Holder waives all (and shall cease to have any) rights and claims against the Company in respect of the Loan Agreements (as defined below), including with respect to any compromise or settlement of the loans thereunder, and such Holder's rights in the Loan Agreements, and each Holder hereby releases and discharges GM Canada (and its past and present officers, directors and employees), Neil Macdonald, John Stapleton, Mercedes Michel and Maurita Sutedja (and their respective heirs, administrators and assigns) from all claims and demands whatsoever, presently known or unknown, which the Holders ever had, now have or may hereafter have against them by reason of claims and demands arising from or in connection with those certain loan agreements between the Company and GM Canada each dated as of July 10, 2003 and pursuant to which GM Canada borrowed from the Company the sum of five hundred fifty-five million, eight hundred sixty thousand Canadian dollars (C$555,860,000), and the sum of seven hundred seventy-eight million, two hundred four thousand Canadian dollars (C$778,204,000), respectively (collectively, the "**Loan Agreements**"), provided that nothing contained in this Agreement shall preclude the Holders from pursuing any claim in respect of the parties and claims otherwise released in this paragraph in the event that the payment of the Consent Fee is successfully challenged by any person in a future proceeding. Furthermore, in the event that the payment of the Consent Fee is successfully challenged by any person in a future proceeding and, as a result, an amount equal to the Consent Fee has been repaid, the settlement between the Company and GM Canada of the amount owing under the Loan Agreements as contemplated by this Transaction shall be null and void and the full amount owing under the Loan Agreements as of the date hereof shall be immediately due and payable according to their terms as they exist as of the date hereof.

(c) Other Claims. Upon the approval of the Extraordinary Resolution at the Meeting and the payment by the Company and the Paying Agent of the Consent Fee to each of the Holders in accordance therewith, with respect to any other claim it may have against the Canadian Entities or the Guarantor in its capacity as a holder of the Notes, each Holder covenants and agrees not to pursue any claim it may have other than in connection with the advancement of its claim under the Guarantee, the advancement of its claim against GM Nova Scotia in respect of the Notes and the Deficiency Claim (each as defined below). Nothing contained in this Agreement shall preclude the Holder from pursuing any other claim it may have against the Canadian Entities or the Guarantor or any of the other debtors in the Chapter 11 Cases in the event that the payment of the Consent Fee is successfully challenged by any person in a future proceeding. For purposes of this Agreement, the "**Guarantee**" shall mean that certain guarantee of the

Notes by the Guarantor included in the Fiscal and Paying Agency Agreement and the Notes.

(d) For purposes of clarity, it is understood and agreed that nothing contained in this Agreement shall: (i) release in any respect whatsoever any claim against the Company on the Notes or any claim against the Guarantor on the Guarantee, or (ii) preclude a Holder from pursuing any claim it may have against the Guarantor or any of the other debtors in the Chapter 11 Cases or any other Party that is not based on such Holder's ownership of Notes.

(e) Legal Costs. The defendants in the Nova Scotia Proceeding release and waive any claim against the Holders for fees and costs related to that proceeding.

6. Stipulations and Acknowledgements.

(a) Acknowledgement of Deficiency Claim and Guarantee Claim. Each of the Parties hereto hereby expressly acknowledges, agrees and confirms that nothing contained in this Agreement is in any way intended to, nor shall it in any way operate to, directly or indirectly, limit, waive, impair or restrict, any rights, interests, remedies or claims (whether at law or in equity, and whether now or hereafter existing) which any Holder may have against, or to which any Holder is due or owed from, the Company in respect of the Notes or the Guarantor in respect of the Guarantee Claim or the Deficiency Claim (as defined below). Each of the Company and the Guarantor hereby expressly acknowledges, agrees and confirms that (i) the Deficiency Claim is a valid and enforceable claim of the Company and shall be enforceable against the Guarantor as allowed pre-petition general unsecured claims (the "**Allowed Claims**") to the fullest extent permitted under applicable laws, (ii) the Notes are valid and enforceable claims of the Holders and shall be enforceable against the Company in their full amount, and (iii) the Guarantee Claim is a valid and enforceable claim of the Holders and shall be enforceable against the Guarantor in the Chapter 11 Cases as Allowed Claims to the fullest extent permitted under applicable laws.

(b) Guarantor Insolvency Claims. The Company and Guarantor stipulate and acknowledge as follows:

(i) forthwith after execution of this Agreement, the Company shall provide the Holders with a consent to a bankruptcy order pursuant to the Bankruptcy and Insolvency Act (Canada), which shall be executed by the duly authorized officers and directors of the Company in form satisfactory to the Holders. The Holders are hereby authorized for and on behalf of the Company to add to the executed consent the court file number for the application for the bankruptcy order once issued by the relevant court, and proceed to obtain the bankruptcy order. GMCL agrees to provide all necessary funding to the trustee in bankruptcy of the Company as may be required for it to administer the estate and to fully advance the Deficiency Claim (defined below) in the bankruptcy or insolvency proceedings of the Guarantor, including the payment of a retainer in

the amount not to exceed $100,000, on the date that the Extraordinary Resolution is passed;

(ii) holders of the 2015 Notes and the 2023 Notes would and shall be entitled to a general unsecured claim in the bankruptcy or insolvency proceedings of the Guarantor for the full amount of the outstanding principal, interest and costs due on such Notes by virtue of the Guarantor's Guarantee (the "**Guarantee Claim**");

(iii) the trustee in bankruptcy of the Company would and shall be entitled to a general unsecured claim for contribution for any amounts unpaid to the Company's creditors, namely the amount outstanding under the Notes, the Swap Liability (defined below) and any other liabilities (collectively, a "**Deficiency Claim**"), in the bankruptcy and insolvency proceedings of the Guarantor;

(iv) for greater certainty, the Consent Fee payment does not reduce, limit or impair the Notes, the Guarantee Claim or the Deficiency Claim;

(v) the Guarantor confirms that its only claim against the Company is the Swap Liability. If for any reason any portion of the Deficiency Claim is disallowed, the Guarantor agrees that the Swap Liability is subordinated to the prior, indefeasible payment in full of the Notes. In any event, any and all other undisclosed indebtedness, claims, liabilities or obligations of the Company to the Guarantor other than the Swap Liability are subordinated to the prior, indefeasible payment in full of the Notes. To the extent of the subordination provided for herein, the Guarantor agrees that should it receive any payments from the Company or a trustee in bankruptcy of the Company, it will hold such payment in trust and immediately pay over such amounts to the paying agent for the Notes;

(vi) the Guarantor shall not assert any right of set-off in respect of the Deficiency Claim; and

(vii) the Guarantor agrees and covenants that it will not take any action or assert any position inconsistent with this Section 6 and, if called upon by the Holders, will confirm its agreement with the positions confirmed herein in writing or at a court hearing as reasonably requested by the Holders.

For purposes of this Agreement, "**Swap Liability**" shall mean the obligations of the Company to the Guarantor, under currency swap arrangements between the Guarantor and the Company.

7. Non-Public Information. The Holders hereby acknowledge that: (i) each of the Company and the Guarantor may be, and each Holder is proceeding on the assumption that the Company and the Guarantor are, in possession of material, non-public information concerning themselves and their respective direct and indirect subsidiaries (the "**Information**") which is not or may not be known to the Holders and that neither the Company nor the Guarantor has disclosed to the Holders; (ii) each Holder is voluntarily assuming all risks associated with the

Transactions and expressly warrants and represents that (x) neither the Company nor the Guarantor has made, and except as expressly provided in this Agreement, each Holder disclaims the existence of or its reliance on, any representation by the Company or the Guarantor concerning the Company, the Guarantor or the Notes and (y) except as expressly provided in this Agreement, it is not relying on any disclosure or non-disclosure made or not made, or the completeness thereof, in connection with or arising out of the Transactions, and therefore has no claims against the Company or the Guarantor with respect thereto; (iii) if any such claim may exist, each Holder, recognizing its disclaimer of reliance and reliance by the Company and the Guarantor on such disclaimer as a condition to entering into the Transactions, covenants and agrees not to assert it against the Company, the Guarantor or any of their respective officers, directors, shareholders, partners, representatives, agents or affiliates; and (iv) neither the Company nor the Guarantors shall have any liability, and each Holder waives and releases any claim that such Holder might have against the Company, the Guarantor or any of their respective officers, directors, shareholders, partners, representatives, agents and affiliates whether under applicable securities law or otherwise, based on the knowledge, possession or nondisclosure by the Company or the Guarantors to each Holder of the Information. Each Holder further represents and acknowledges that is has received and reviewed (a) a copy of the prospectus, dated April 27, 2009, as amended and supplemented to date (or if resident in Canada, a copy of the Canadian offering memorandum dated April 27, 2009 which incorporates the prospectus, as amended and supplemented to date), relating to the offers by the Company and the Guarantor to exchange certain series of securities, including the Notes, which includes and incorporates by reference material public information concerning the Company and the Guarantors and (b) the Form 8-K filed by the Guarantor on May 28, 2009 relating to the proposed sale by the Guarantor of substantially all of its assets pursuant to Section 363(b) of the U.S. Bankruptcy Code.

8. Specific Performance. Each of the Parties hereto recognizes and acknowledges that a breach by any of the Parties hereto of any covenants or agreements contained in this Agreement will cause the other Parties to sustain damages for which such Parties would not have an adequate remedy at law for money damages, and therefore each Party hereto agrees that in the event of any such breach the other Parties shall be entitled to the remedy of specific performance of such covenants and agreements and injunctive and other equitable relief in addition to any other remedy to which such Parties may be entitled, at law or in equity.

9. Remedies Cumulative. All rights, powers and remedies provided under this Agreement or otherwise available in respect hereof at law or in equity shall be cumulative and not alternative, and the exercise of any right, power or remedy thereof by any Party shall not preclude the simultaneous or later exercise of any other such right, power or remedy by such Party.

10. Effectiveness; Amendments. This Agreement shall not become effective and binding on a Party unless and until a counterpart signature page to this Agreement has been executed and delivered by such Party. Except as otherwise provided herein, once effective, this Agreement may not be modified, amended or supplemented except in a writing signed by each of the Parties hereto.

11. No Waiver. The failure of any Party hereto to exercise any right, power or remedy provided under this Agreement or otherwise available in respect hereof at law or in equity, or to

insist upon compliance by any other Party hereto with its obligations hereunder, and any custom or practice of the Parties at variance with the terms hereof, shall not constitute a waiver by such Party of its right to exercise any such or other right, power or remedy or to demand such compliance.

12. No Admission. Neither this Agreement nor the settlement contained herein, nor any act performed or document executed pursuant to or in furtherance of this Agreement or the settlement: (a) is or may be deemed to be or may be used as an admission of, or evidence of, the validity of any claims released pursuant to Section 5 above, or of any wrongdoing or liability of or damage by any of the Parties hereto or their directors; or (b) is or may be deemed to be or may be used as an admission of, or evidence of, any fault or omission of any of the Parties hereto or their respective directors in any civil, criminal or administrative proceeding in any court, administrative proceeding in any court, administrative agency or other tribunal. The Parties and the Released Persons may file this Agreement and Exhibits in any action that may be brought against them in order to support a defense or counterclaim based on principles of *res judicata*, collateral estoppel, release, good faith settlement, judgment bar or reduction, or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim.

13. Governing Law; Jurisdiction. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, regardless of the laws that might otherwise govern under applicable principles of conflict of laws of the State of New York. The Parties hereby irrevocably and unconditionally submit to the jurisdiction of any federal or state court located within the borough of Manhattan of the City, County and State of New York over any dispute for purposes of any action, suit or proceeding arising out of or relating to this Agreement or any of the transactions contemplated hereby. Each party irrevocably waives any objection it may have to the venue of any action, suit or proceeding brought in such court or to the convenience of the forum.

14. Notices. All notices and consents hereunder shall be in writing and shall be deemed to have been duly given upon receipt if personally delivered by courier service, messenger, facsimile, or by certified or registered mail, postage prepaid return receipt requested, to the following addresses, or such other addresses as may be furnished hereafter by notice in writing, to the following parties:

If to any one Holder, to:

such Holder at the address shown for such Holder on the applicable signature page hereto, to the attention of the person who has signed this Agreement on behalf of such Holder

with copies to:

Greenberg Traurig, LLP
200 Park Avenue
New York, NY 10166
Facsimile No.: (212) 801-9362
Attn: Bruce R. Zirinsky
Clifford E. Neimeth
Anthony J. Marsico

And

Fried, Frank, Harris, Shriver & Jacobson LLP
One New York Plaza
New York, NY 10004
Facsimile No.: (212) 859-8583
Attn: Brian D. Pfeiffer

If to the Company, to:

General Motors Nova Scotia Finance Company
1300-1969 Upper Water Street
Purdy's Wharf Tower Tower II
Halifax, Nova Scotia, Canada B3J 3R7

Facsimile No.: (905) 644-7319
Attn: Chief Executive Offer, Chief Financial Officer and
Principal Accounting Officer

with a copy to:
Weil, Gotshal & Manges LLP
767 Fifth Avenue
New York, NY 10153
Facsimile No.: (212) 310-8007
Attn: Todd R. Chandler

15. Representation by Counsel. Each Party acknowledges that it has been represented by counsel in connection with this Agreement and the transactions contemplated by this Agreement. Accordingly, any rule of law or any legal decision that would provide any Party with a defense to the enforcement of the terms of this Agreement against such Party based upon lack of legal counsel shall have no application and is expressly waived.

16. Consideration. It is hereby acknowledged by the Parties that, other than the agreements, covenants, representations and warranties of the Parties, as more particularly set forth herein, no consideration shall be due or paid to the Company for their agreement to use their commercially reasonable efforts to consummate the Transactions and the Extraordinary Resolutions in accordance with the terms and conditions of this Agreement.

17. Headings. The headings of the sections and subsections of this Agreement are inserted for convenience only and shall not affect the interpretation hereof.

18. Successors and Assigns. This Agreement is intended to bind and inure to the benefit of the Parties and their respective permitted successors, assigns, heirs, executors, administrators and representatives.

19. Several, Not Joint, Obligations. The agreements, representations and obligations of the Parties under this Agreement are, in all respects, several and not joint.

20. Prior Negotiations. This Agreement supersedes all prior negotiations with respect to the subject matter hereof but shall not supersede the Extraordinary Resolution or the Transaction Documents.

21. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement. Delivery of an executed signature page of this Agreement by facsimile or e-mail shall be as effective as delivery of a manually executed signature page of this Agreement.

22. No Third-Party Beneficiaries. Unless expressly stated herein, this Agreement shall be solely for the benefit of the Parties, and no other person or entity shall be a third party beneficiary hereof.

23. Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

24. Additional Parties. Without in any way limiting the provisions hereof, additional holders of the Notes may elect to become Parties by executing and delivering to the Company a counterpart hereof. Such additional holder shall become a party to this Agreement as a Holder in accordance with the terms of this Agreement.

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed and delivered by its duly authorized officer as of the date first above written.

GENERAL MOTORS NOVA SCOTIA FINANCE COMPANY

By: _____
Name: Neil J. Macdonald
Title: Secretary

GENERAL MOTORS CORPORATION

By: _____
Name:
Title:

GENERAL MOTORS OF CANADA LIMITED

By: _____
Name: Neil J. Macdonald
Title: Vice President

GM NOVA SCOTIA INVESTMENTS LTD.

By: _____
Name: Neil J Macdonald
Title: Secretary

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed and delivered by its duly authorized officer as of the date first above written.

GENERAL MOTORS NOVA SCOTIA FINANCE COMPANY

By: _____
Name:
Title:

GENERAL MOTORS CORPORATION

By: _____
Name: Ray G. Young
Title: Chief Financial Officer

GENERAL MOTORS OF CANADA LIMITED

By: _____
Name:
Title:

GM NOVA SCOTIA INVESTMENTS LTD.

By: _____
Name:
Title:

HOLDERS:

AURELIUS CAPITAL PARTNERS, LP

By: Aurelius Capital GP, LLC, its General Partner

By: _____
Dan Gropper
Managing Director
Principal amount of 2015 Notes held: £17,822,000

Principal amount of 2023 Notes held: £41,480,000

Date: June 1, 2009

Address: 535 Madison Avenue
22nd Floor
New York, NY 10022

Attention: Dan Gropper
Fax: 212-786-5870

HOLDERS:

AURELIUS CAPITAL MASTER, LTD.

By: Aurelius Capital Management, LP, solely as investment manager and not in its individual capacity

By:_____
Dan Gropper
Managing Director
Principal amount of 2015 Notes held:
£17,424,000

Principal amount of 2023 Notes held:
£38,970,000

Date: June 1, 2008

Address for Notice: AURELIUS CAPITAL MASTER, LTD.
c/o Aurelius Capital Management, LP
535 Madison Avenue
22nd Floor
New York NY 10022

Registered Office: AURELIUS CAPITAL MASTER, LTD.
c/o GlobeOp Financial Services (Cayman) Limited
45 Market Street, Suite 3205
2nd Floor, Gardenia Court
Camana Bay, West Bay Road South
Grand Cayman KY1-9003

Attention: Dan Gropper
Fax: 212-786-5870

HOLDERS:

Drawbridge DSO Securities LLC

By: _____
Constantine M. Dakolias
President

Principal amount of 2015 Notes held: £111,600,000.00
Date: May 31, 2009

1345 Avenue of the Americas, 46th Floor
New York, New York 10105
Attention: Constantine M. Dakolias
Fax: (212) 798-6099

Drawbridge OSO Securities LLC

By: _____
Constantine M. Dakolias
President

Principal amount of 2015 Notes held: £12,400,000.00
Date: May 31, 2009

1345 Avenue of the Americas, 46th Floor
New York, New York 10105
Attention: Constantine M. Dakolias
Fax: (212) 798-6099

FCOF UB Securities LLC

By: _____
Constantine M. Dakolias
President

Principal amount of 2015 Notes held: £9,500,000.00
Principal amount of 2023 Notes held: £5,500,000.00
Date: May 31, 2009

1345 Avenue of the Americas, 46th Floor
New York, New York 10105
Attention: Constantine M. Dakolias
Fax: (212) 798-6099

HOLDERS:

Appaloosa Investment Limited Partnership I

By: James E. Bolin
Name: James E Bolin
Title: Partner

Principal amount of 2015 Notes held: $ $ 15,181,000

Principal amount of 2023 Notes held: $ $ 22,696,000

Date: 6/1/09

c/o Appaloosa Management LP
~~26~~ 51 JFK Parkway, 2nd Fl
Short Hills, NJ 07078

Attention: James Bolin
Fax: (973) 701-7055

Palomino Fund Ltd.

By: James E. Bolin
Name: James E. Bolin
Title: Partner

Principal amount of 2015 Notes held: $ $ 22,187,000

Principal amount of 2023 Notes held: $ $ 33,171,000

Date: 6/1/09

c/o ~~Appal~~ Palomino Fund Ltd.
51 JFK Parkway, 2nd Fl
Short Hills, NJ 07078

Attention: James Bolin
Fax: (973) 701-7055

Thoroughbred Master Ltd.

By: James E. Bolin
Name: James E. Bolin
Title: Partner

Principal amount of 2015 Notes held: $ £ 11,306,000

Principal amount of 2023 Notes held: $ £ 18,457,000

Date: 6/1/09

c/o Thoroughbred Master Ltd.
51 JFK Parkway, 2nd Fl.
Short Hills, NJ 07078

Attention: James Bolin
Fax: (973) 701-7055

Thoroughbred Fund LP

By: James E. Bolin
Name: James E. Bolin
Title: Partner

Principal amount of 2015 Notes held: $ £ 10,828,000

Principal amount of 2023 Notes held: $ £ 17,676,000

Date: 6/1/09

c/o Thoroughbred Fund LP
51 JFK Parkway, 2nd Fl.
Short Hills, NJ 07078

Attention: James Bolin
Fax: (973) 701-7055

HOLDERS:

Elliott International, L.P.
By: Elliott International Capital Advisors Inc. – As attorney-in-fact

By: _____
Elliot Greenberg, Vice President

Principal amount of 2015 Notes held: $46,200,000

Principal amount of 2023 Notes held: $2,400,000

Date: May 31, 2009

c/o Elliott Management Corporation
712 Fifth Avenue
New York, NY 10019
Attention: Didric Cederholm
Fax: (212) 586-9461

The Liverpool Limited Partnership
By: Liverpool Associates Ltd. – As General Partner

By: _____
Elliot Greenberg Vice President

Principal amount of 2015 Notes held: $20,800,000

Principal amount of 2023 Notes held: $1,600,000

Date: May 31, 2009

c/o Elliott Management Corporation
712 Fifth Avenue
New York, NY 10019
Attention: Didric Cederholm
Fax: (212) 586-9461

Exhibit A

Extraordinary Resolution

Set out below in a combination form is the text of the Extraordinary Resolution. For clarity, the opening text for the Extraordinary Resolution in respect of each series has been set out separately.

For the 2015 Notes:

"THAT THIS MEETING (the "**2015 Meeting**") of the holders of the 2015 Notes (the "**2015 Holders**") and benefiting from the provisions of the fiscal and paying agency agreement among General Motors Nova Scotia Finance Company (the "**Company**"), General Motors Corporation, Deutsche Bank Luxembourg S.A. (the "**Fiscal Agent**") and Banque Générale du Luxembourg S.A. (the "**Paying Agent**" and together with the Fiscal Agent, the "**Agents**") dated as of July 10, 2003 (the "**Fiscal and Paying Agency Agreement**"), by Extraordinary Resolution (the "**Extraordinary Resolution**"), HEREBY: "

For the 2023 Notes:

"THAT THIS MEETING (the "**2023 Meeting**") of the holders of the 2023 Notes (the "**2023 Holders**") and benefiting from the provisions of the fiscal and paying agency agreement among General Motors Nova Scotia Finance Company (the "**Company**"), General Motors Corporation, Deutsche Bank Luxembourg S.A. (the "**Fiscal Agent**") and Banque Générale du Luxembourg S.A. (the "**Paying Agent**" and together with the Fiscal Agent, the "**Agents**") dated as of July 10, 2003 (the "**Fiscal and Paying Agency Agreement**"), by Extraordinary Resolution (the "**Extraordinary Resolution**"), HEREBY: "

For the 2015 and 2023 Notes (each series voting separately)

RESOLVES by special quorum an Extraordinary Resolution in accordance with the proviso to paragraph 5 of Schedule 4 of the Fiscal and Paying Agency Agreement to authorize and direct the addition of a new provision at the end of, and forming part of, Condition 6 of Schedule 1 of the Fiscal and Paying Agency Agreement, which also forms a part of the Global Notes representing the 2015 Notes and the 2023 Notes, as follows:

"**Certain Claims**

Upon the approval of the Extraordinary Resolution at the Meeting and the payment by the Company and the Paying Agent of the Consent Fee to each of the Noteholders in accordance therewith, each Noteholder hereby releases and discharges the defendants in the Nova Scotia Proceeding (and the past and/or present directors, officers, employees, partners, insurers, co-insurers, controlling shareholders, attorneys, advisers, consultants, accountants or auditors, personal or legal representatives, predecessors, successors, parents, subsidiaries, divisions, joint ventures, assigns, spouses, heirs, related and/or affiliated entities of each of them) from all claims and demands that are raised in

the proceeding in the Supreme Court of Nova Scotia titled Aurelius Capital Partners, LP v. General Motors Corporation et al, Court File No. HFX No. 308066 (the "**Nova Scotia Proceeding**"), and agrees to discontinue the Nova Scotia Proceeding on a without costs basis. Nothing contained in this Extraordinary Resolution shall preclude any Noteholder from pursuing any of the claims raised in the Nova Scotia Proceeding against any of the Canadian Entities or the Guarantor or any of the other debtors in the Chapter 11 Cases in the event that the payment of the Consent Fee is successfully challenged by any person in a future proceeding and, as a result, an amount equal to the Consent Fee has been repaid; provided, that, this Extraordinary Resolution precludes each Noteholder from pursuing any of the claims raised in the Nova Scotia Proceeding against any of Neil Macdonald, John Stapleton, Mercedes Michel and Maurita Sutedja (and their respective heirs, administrators and assigns) in the event that the payment of the Consent Fee is successfully challenged by any person in a future proceeding.

Upon the approval of the Extraordinary Resolution at the Meeting and the payment by the Company and the Paying Agent of the Consent Fee to each of the Noteholders in accordance therewith, each Noteholder waives all (and shall cease to have any) rights and claims against the Company in respect of the Loan Agreements (as defined below), including with respect to any compromise or settlement of the loans thereunder, and such Noteholder's rights in the Loan Agreements, and each Noteholder hereby releases and discharges GM Canada (and its past and present officers, directors and employees), Neil Macdonald, John Stapleton, Mercedes Michel and Maurita Sutedja (and their respective heirs, administrators and assigns) from all claims and demands whatsoever, presently known or unknown, which the Noteholders ever had, now have or may hereafter have against them by reason of claims and demands arising from or in connection with those certain loan agreements between the Company and GM Canada each dated as of July 10, 2003 and pursuant to which GM Canada borrowed from the Company the sum of five hundred fifty-five million, eight hundred sixty thousand Canadian dollars (C$555,860,000), and the sum of seven hundred seventy-eight million, two hundred four thousand Canadian dollars (C$778,204,000), respectively (collectively, the "**Loan Agreements**"), provided that nothing contained in this Extraordinary Resolution shall preclude the Noteholders from pursuing any claim in respect of the parties and claims otherwise released in this paragraph in the event that the payment of the Consent Fee is successfully challenged by any person in a future proceeding and, as a result, an amount equal to the Consent Fee has been repaid. Furthermore, in the event that the payment of the Consent Fee is successfully challenged by any person in a future proceeding, and, as a result, an amount equal to the Consent Fee has been repaid, the settlement between the Company and GM Canada of the amount owing under the Loan Agreements as contemplated by this Transaction shall be null and void and the full amount owing under the Loan Agreements as of the date hereof shall be immediately due and payable according to their terms as they exist as of the date hereof.

Upon the approval of the Extraordinary Resolution at the Meeting and the payment by the Company and the Paying Agent of the Consent Fee to each of the Noteholders in accordance therewith, with respect to any other claim it may have against

the Canadian Entities or the Guarantor in its capacity as a holder of the Notes, the Noteholder covenants and agrees not to pursue any claim it may have other than in connection with the advancement of its claim under the Guarantee, the advancement of its claim against GM Nova Scotia in respect of the Notes and the Deficiency Claim (each as defined below). Nothing contained in this Extraordinary Resolution shall preclude the Noteholder from pursuing any other claim it may have against the Canadian Entities or the Guarantor or any of the other debtors in the Chapter 11 Cases in the event that the payment of the Consent Fee is successfully challenged by any person in a future proceeding. For purposes of this Extraordinary Resolution, the "**Guarantee**" shall mean that certain guarantee of the Notes by the Guarantor included in the Fiscal and Paying Agency Agreement and the Notes.

Nothing contained in this Extraordinary Resolution is in any way intended to, nor shall it in any way operate to, directly or indirectly, limit, waive, impair or restrict, any rights, interests, remedies or claims (whether at law or in equity, and whether now or hereafter existing) which any Noteholder may have against, or to which any Noteholder is due or owed from, the Company in respect of the Notes or the Guarantor in respect of the Guarantee Claim or the Deficiency Claim (as such terms are defined in the Lock-up Agreement). It is hereby expressly acknowledged, agreed and confirmed that that (i) the Deficiency Claim is a valid and enforceable claim of the Company and shall be enforceable against the Guarantor as allowed pre-petition general unsecured claims (the "**Allowed Claims**") to the fullest extent permittedunder applicable laws, (ii) the Notes are valid and enforceable claims to the Noteholders and shall be enforceable against the Company in their full amount, and (iii) the Guarantee Claim is a valid and enforceable claim of the Noteholders and shall be enforceable against the Guarantor as Allowed Claims to the fullest extent permitted under applicable laws.

For purposes of clarity, it is understood and agreed that nothing contained in this Extraordinary Resolution shall: (i) release in any respect whatsoever any claim against the Company on the Notes or any claim against the Guarantor on the Guarantee, or (ii) preclude a Noteholder from pursuing any claim it may have against the Guarantor or any of the other debtors in the Chapter 11 Cases or any other Party that is not based on such Holder's ownership of Notes.

The Consent Fee payment does not reduce, limit or impair the Notes, the Guarantee Claim or the Deficiency Claim.

The Guarantor confirms that its only claim against the Company is the Swap Liability. If for any reason any portion of the Deficiency Claim is disallowed, the Guarantor agrees that the Swap Liability is subordinated to the prior, indefeasible payment in full of the Notes. In any event, any and all other undisclosed indebtedness, claims, liabilities or obligations of the Company to the Guarantor other than the Swap Liability are subordinated to the prior, indefeasible payment in full of the Notes. To the extent of the subordination provided for herein, the Guarantor agrees that should it receive any payments from the Company or a trustee in bankruptcy of the Company, it will hold such payment in trust and immediately pay over such amounts to the paying

agent for the Notes. For purposes of this Extraordinary Resolution, "**Swap Liability**" shall mean the obligations of the Company to the Guarantor, under currency swap arrangements between the Guarantor and the Company.

The Guarantor shall not assert any right of set-off in respect of the Deficiency Claim.

RESOLVES by special quorum an Extraordinary Resolution in accordance with Schedule 4 of the Fiscal and Paying Agency Agreement to pay, subject to the approval of the foregoing Extraordinary Resolution by the requisite Noteholders, an amount equal to £366.46 per £1,000 of principal amount of the 2015 Notes outstanding and £380.17 per £1,000 of principal amount of the 2023 Notes outstanding (the "**Consent Fee**"), immediately following the approval of the foregoing Extraordinary Resolution by the requisite Noteholders. The Consent Fee shall be paid to the common depository by wire transfer, and Euroclear and Clearstream, as applicable, will credit the relevant accounts of their participants on the payment date. Payments in respect of Notes not evidenced by Global Notes shall be made by wire transfer, direct deposit or check mailed to the address of the holder entitled thereto as such address shall appear on the register of the Company.

RESOLVES by ordinary quorum an Extraordinary Resolution in accordance with the proviso to paragraph 5 of Schedule 4 of the Fiscal and Paying Agency Agreement to authorize and direct the following:

(a) authorizes, directs and empowers the Agents to concur in, approve, and execute, and do all such deeds, instruments, acts and things that may be necessary to carry out and give effect to these resolutions;

(b) sanctions, assents to and approves any necessary or consequential amendment to the Fiscal and Paying Agency Agreement to effect these resolutions; and

(c) acknowledges that capitalized terms used in these resolutions have the same meanings as those defined in the Fiscal and Paying Agency Agreement, as applicable.

Exhibit B

Escrow Term Sheet

Escrow Agent	A Canadian institutional trustee mutually satisfactory to the parties, acting reasonably
Deposit	GMCL deposits the Consent Fee (the "Escrow Amount") into a segregated account maintained on behalf of GMCL and GM Nova Scotia and the Holders with the Escrow Agent with a Canadian financial institution ("Escrow Account #1")
Release upon passing of extraordinary resolution	Upon receipt by the Escrow Agent of the scrutineer's report for the noteholder Meeting evidencing that the Extraordinary Resolution has been duly passed by the requisite majority of noteholders, the Escrow Agent shall cause the Escrow Amount to be deposited into a new segregated account opened on behalf of GM Nova Scotia and maintained by the Escrow Agent with a Canadian financial institution ("Escrow Account #2"). Upon deposit of the Escrow Amount in Account #2, GM Nova Scotia shall be deemed to have acknowledged and agreed that the loans under the Loan Agreements shall have been settled and compromised in full subject to the terms of the Lock-Up Agreement. Immediately upon the deposit of the Escrow Amount into Account #2, the Escrow Agent shall release the Escrow Amount and cause the Escrow Amount to be deposited with the Fiscal Paying Agent into the account specified by the Fiscal Paying Agent on Schedule A to the Escrow Agreement.
Release of funds to GMCL	The Escrow Agent shall cause the Escrow Amount to be released from Escrow Account #1 to GMCL and deposited into the account specified by GMCL on Schedule B to the Escrow Agreement in the following circumstances: (i) if GM Nova Scotia and all of the Holders notify the Escrow Agent that the Meeting called for the passage of the Extraordinary Resolution has failed to occur prior to July 9, 2009 due to circumstances which are outside GM Nova Scotia's control and the Lockup Agreement has been terminated by the Holders; or (ii) upon receipt by the Escrow Agent of the scrutineer's report for the noteholder Meeting evidencing that after holding the Meeting, the Extraordinary Resolution failed to be passed by the requisite majority of

noteholders.

Release upon Bankruptcy or Failure to hold meeting

Upon receipt of notice by the Requisite Holders of any of the following events, the Escrow Agent shall cause the Escrow Amount to be released from Escrow Account #1 to all of the Holders and deposited into such accounts as may be specified in writing by each relevant Holder:

(a) Bankruptcy, CCAA or any similar proceeding of GM Nova Scotia initiated directly or indirectly or fomented in any way by GM Nova Scotia or one of its affiliates;

(b) a bankruptcy, CCAA or any similar proceeding of GMCL initiated directly or indirectly or fomented in any way by GMCL or one of its affiliates; or

(c) a failure to hold the Meeting by July 9, 2009 due to circumstances which are within GM Nova Scotia's control.

For purposes of this section, **"Requisite Holders"** means Holders representing at least 51% of the outstanding principal amount of each series of Notes.

Release upon disputed Material Breach

In the case of a material breach of the Lockup Agreement other than those referred to above, the Escrow Agent shall retain the Escrow Amount in Escrow Account #1 until the Escrow Agent receives a final court order determining that such Material Breach has occurred. In such circumstances, the Escrow Agent shall pay out the Escrow Amount from Escrow Account #1 in a manner consistent with such court order (it being understood that if a Material Breach has occurred, the Escrow Amount shall be paid to the Holders).

Interest

Accrues to benefit of GMCL from date of Escrow Agreement to June 30, 2009 inclusive; thereafter accrues for the benefit of the Holders.

Currency

British Pounds

Fees

All fees of the Escrow Agent shall be for the account of GMCL. Fees and expenses of the Escrow Agent arising from court proceedings will be paid by GMCL subject to a right of reimbursement from the Escrow Amount in the event that GMCL is successful in such court

In his new role, Dr. Montgomery will bring all parties – workers, firms, unions, other private sector employers, community-based organizations, state and local governments, and foundations – to the table to maximize communication and cooperation and to develop innovative strategies for relief and recovery. He will ensure that communities and workers can take full advantage of all available resources and to ensure that the funds are distributed quickly, efficiently and equitably

He will work with the Administration, relevant Governors and Congressional leaders to launch new executive and legislative initiatives to support these distressed communities and help them retool and revitalize their economies. He will identify and pursue all possible opportunities, including for example, initiatives to:

- Maximize the effectiveness of Recovery Act funds for new and more diverse economic development for new jobs, business and industry through various means including local infrastructure, housing, education and new industry.
- Deploy rapid response unit to communities facing plant closings to both meet immediate needs and to develop strategies for new job growth.
- Extend Trade-Adjustment-Assistance (TAA) to the auto industry, including retraining, healthcare extensions, income support and wage insurance.
- Attract major defense, research, green industry and other project to the region. Channel Workforce Investment Act (WIA) and other emergency grant funds to the region.
- Work with stakeholders to develop new legislative efforts to direct emergency support to affected communities and regions, and bring new jobs and economic opportunities to these areas.

proceedings.

Indemnity GMCL (unless broader indemnity required by Escrow Agent).

Termination The Escrow Agreement shall be entered into no later than Wednesday June 4, 2009.

Definitions Defined terms shall have the meanings set out in the Lock-Up Agreement.

Governing Law Ontario

EXHIBIT E

To: 'Siwinski, Steven'[Steven.Siwinski@fticonsulting.com]
From: Macksoud, Lauren M.
Sent: Wed 6/10/2009 5:57:05 PM
Subject: FW: GM Docs
CHICAGO-#1766874-v8-Schedules_to_Master_Sale_and_Purchase_Agreement_(2).DOC
KL2-#2607821-v1-GM_KL_Staffing.DOC

Redacted

-----Original Message-----
From: Webber, Amanda
Sent: Wednesday, June 10, 2009 9:01 AM
To: Macksoud, Lauren M.
Subject: FW: GM Docs

Redacted

Amanda

-----Original Message-----
From: Webber, Amanda
Sent: Fri 6/5/2009 8:37 PM
To: Caton, Amy; Novod, Gordon; Macksoud, Lauren M.
Cc: Molner, Thomas E.; Kopelman, Kenneth P.
Subject: FW: GM Docs

Attached are all of the exhibits and disclosure schedules to the Master Sale and Purchase Agreement.

Redacted

Redacted

From: Smolinsky, Joseph [mailto:Joseph.Smolinsky@weil.com]
Sent: Friday, June 05, 2009 6:28 PM
To: Davis, Joshua; Taylor, Jeffrey; Webber, Amanda
Cc: Karotkin, Stephen; Miller, Harvey
Subject: GM Docs

Attached are the Schedules to the Master Asset Purchase and Sale Agreement. PLEASE NOTE THAT SEVERAL OF THESE SCHEDULES AND EXHIBITS WILL BE DESIGNATED AS CONFIDENTIAL AND WILL NOT BE DISTRIBUTED UPON REQUEST. You should therefore at this juncture and until further notice consider these documents for Kramer Levin's eyes only.

Best regards.

Joe

Joseph H. Smolinsky

Weil, Gotshal & Manges LLP

767 Fifth Avenue

New York, NY 10153

joseph.smolinsky@weil.com

(212) 310-8767

(See attached file: CHICAGO-#1765163- v10-Equity Registration Rights Agreement.DOC)(See attached file: CHICAGO-#1766819- v6-Series A Preferred Stock Certificate of Designations.DOC)(See attached file: CHICAGO-#1766870- v1-Project Two Deferred Termination Agreement (Exhibit J-3).DOC)(See attached file: CHICAGO-#1766881- v1-Project Two Form of Hummer Deferred Termination Agreement (Exhibit J-2).DOC)(See attached file: CHICAGO-#1766880- v1-Project Two Saturn Deferred Termination Agreement (Exhibit J-1).DOC)(See attached file: CHICAGO-#1765183- v3-Project Two Form of Assignment and Assumption of Real Property Leases (Exhibit U).DOC)(See attached file: CHICAGO-#1765039- v7-Project Two - Office Lease for SPO Headquarters, Grand Blanc, Michigan.DOC)(See attached file: CHICAGO-#1766884- v1-Project Two Form of Participation Agreement (Exhibit K).DOC)(See attached file: CHICAGO-#1766878- v2-Project Two VEBA Term Sheet (Exhibit Y).DOC)(See attached file: CHICAGO-#1766877- v1-Project Two UAW Active Labor Modifications (Exhibit C).PDF)(See attached file: CHICAGO-#1766792- v2-Exhibit F - Excluded Owned Real Property.DOC)(See attached file: CHICAGO-#1766839- v1-Exhibit G - Retained Workers Compensation.DOC)(See attached file: CHICAGO-#1766210- v1-Project Two - Subdivision Master Lease Term Sheet.DOC)(See attached file: CHICAGO-#1759866- v3-Project Two Form of Bill of Sale (Exhibit O).DOC)(See attached file: CHICAGO-#1760141- v3-Project Two Form of Assignment and Assumption Agreement (Exhibit P).DOC)(See attached file: CHICAGO-#1760153- v1-Project Two Form of Novation Agreement (Exhibit Q).DOC)(See attached file: CHICAGO-#1766534- v2-Project Two Form of Subcontract Agreement (Form of R).DOC)(See attached file: CHICAGO-#1759822- v2-Project Two Form

of Intellectual Property Assignment Agreement (Exhibit S).DOC)(See attached file: CHICAGO-#1755824-v16-Project Two--TSA.DOC)(See attached file: CHICAGO-#1761813- v15-TSA Schedules.DOC)(See attached file: CHICAGO-#1765182- v6-Project Two Form of Master Lease Agreement (Exhibit V).DOC)(See attached file: Final [New Co] - UAW Retiree Settlement Agreement.pdf)(See attached file: CHICAGO-#1766891-v1-Project_Two__Form_of_Parent_Wa.DOC)(See attached file: CHICAGO-#1766889-v1-Project_Two__Form_of_Parent_Wa.DOC)(See attached file: CHICAGO-#1766885-v1-Project_Two__Form_of_VEBA_Warr.DOC)
(See attached file: CHICAGO-#1766936-v1-Gum_-_Master_Sale_and_Purchase_Agreement_(Final).DOC)(See attached file: CHICAGO-#1766874-v8-Schedules_to_Master_Sale_and_Purchase_Agreement_(2).DOC)(See attached file: 0215586 (4).doc)(See attached file: UST-GM Equity Subscription Agreement.doc)(See attached file: GM -- VEBA ESA (Executed June 1, 2009).pdf)(See attached file: Sale Procedures Order (Exhibit H)_#2002788_v1.DOC)(See attached file: Sale Approval Order (Exhibit I)_#2002791_v1.DOC)

EXECUTION COPY

Sellers' Disclosure Schedule

This Sellers' Disclosure Schedule forms a part of that certain Master Sale and Purchase Agreement, dated as of June 1, 2009 (the "Agreement"), made by and among General Motors Corporation, a Delaware corporation ("Parent"), Saturn LLC, a Delaware limited liability company ("S LLC"), Saturn Distribution Corporation, a Delaware corporation ("S Distribution"), Chevrolet-Saturn of Harlem, Inc., a Delaware corporation ("Harlem," and collectively with Parent, S LLC and S Distribution, "Sellers," and each a "Seller"), and Vehicle Acquisition Holdings LLC, a Delaware limited liability company ("Purchaser"). Unless otherwise defined herein, all capitalized terms used in this Sellers' Disclosure Schedule have the respective meanings assigned to them in the Agreement.

The representations and warranties of Sellers set forth in the Agreement are made and given subject to the disclosures contained in this Sellers' Disclosure Schedule. Inclusion of information in this Sellers' Disclosure Schedule shall not be construed as an admission that such information is material to the business, operations or condition of the business of Sellers, the Purchased Assets or the Assumed Liabilities, taken in part or as a whole, or as an admission of Liability of any Seller to any third party. The specific disclosures set forth in this Sellers' Disclosure Schedule have been organized to correspond to Section references in the Agreement to which the disclosure may be most likely to relate; provided, however, that any disclosure in this Sellers' Disclosure Schedule shall apply to, and shall be deemed to be disclosed for, any other Section of the Agreement to the extent the relevance of such disclosure to such other Section is reasonably apparent on its face.

Section 1.1B

Key Subsidiaries

1. General Motors Product Services, Inc.
2. OnStar, LLC
3. General Motors Overseas Distribution Corporation
4. Argonaut Holdings, Inc.
5. Riverfront Holdings, Inc.
6. Adam Opel GmbH
7. General Motors of Canada Limited
8. GM Daewoo Auto & Technology Company
9. General Motors de Mexico, S. de R.L. de C.V.
10. General Motors do Brasil Ltda.
11. GM Europe Treasury Company AB
12. General Motors UK Limited
13. General Motors Espana, S.L.
14. GM Holden Ltd.
15. General Motors Venezolana, C.A.
16. General Motors Italia S.r.l.
17. General Motors Powertrain - Germany GmbH
18. GM Factoring Sociedade de Fomento Comercial Ltda.
19. General Motors Powertrain- Austria GmbH
20. General Motors India Private Limited
21. General Motors Poland Spolka, z.o.o.
22. General Motors CIS, LLC
23. General Motors Belgium N.V.
24. General Motors (Thailand) Limited
25. General Motors de Argentina S.r.l.
26. General Motors South Africa (Pty) Limited
27. General Motors Strasbourg
28. General Motors - Colmotores S.A.
29. General Motors Auto LLC
30. Controladora General Motors, S.A. de C.V.
31. VM Motori S.p.A.
32. DMAX, Ltd.

Section 2.2(b)(iv)

Excluded Entities

1. Environmental Corporate Remediation Company, Inc.
2. General Motors Nova Scotia Finance Company
3. Remediation and Liability Management Company, Inc.
4. SAAB Cars Holdings Overseas Corp.

Pursuant to Section 6.5(a) of the Agreement, Purchaser shall, until the date that is two (2) Business Days prior to the Sale Hearing, have the right to designate additional Excluded Entities.

Section 2.2(b)(xi)

Certain Bankruptcy Avoidance Actions

Any and all Claims arising from, relating to or in connection with, any payments by or to, or other transfers or assignments by or to, any Purchased Subsidiary.

Section 6.2

Conduct of Business

Supplier Relations

1. Sellers will continue to engage in a process of reviewing, renegotiating, extending and terminating, as applicable, arrangements with its suppliers in furtherance of the Viability Plans and its efforts to reorganize as part of the Bankruptcy Cases.
2. Sellers will continue to have Supplier Program commitments in connection with that certain Credit Agreement, dated as of April 3, 2009, between GM Supplier Receivables LLC, as borrower, and the Sponsor, as the lender.

Customer Relations

1. Sellers will continue to engage in a process of reviewing, renegotiating, extending and terminating, as applicable, arrangements with dealers and other customers in furtherance of the Viability Plans and its efforts to reorganize as part of the Bankruptcy Cases.
2. Sellers will continue to have Customer Warranty Program commitments in connection with Amendment No. 4, dated May 27, 2009, to the Loan and Security Agreement dated as of December 31, 2008, between Parent, as borrower, and Sponsor, as the lender.

Reorganizations

With the consent of Purchaser (not to be unreasonably withheld, conditioned or delayed), Parent may, through a series of transfers, contributions, stock splits, redemptions, dividends, distributions or other transactions, effect a reorganization of a holding company structure of certain of its Subsidiaries, as a result of which:

1. *GMGTO.* GM Global Technology Operations, Inc. ("GMGTO") may become a direct Subsidiary of Parent or the Equity Interests of GMGTO may be held by a Subsidiary (including a newly-formed Subsidiary) of Parent other than GM GEFS L.P.
2. *India.* Assets held by Chevrolet Sales India Private Ltd and General Motors India Private Ltd. may be held by newly formed Indian entities and the Equity Interests in both existing and newly formed entities may be held by a newly formed Subsidiary of Parent. It is also possible that some assets may be contributed to a potential newly formed joint venture. The contractual arrangements associated with the joint venture may include territorial restrictions on competition.
3. *Thailand.* The Equity Interests in GM (Thailand) Ltd., GM Powertrain (Thailand), Chevrolet Sales Thailand Limited and/or General Motors Southeast Operations Limited may be held by a newly-formed Subsidiary of Parent.

4. *Indonesia.* A currently idled plant in Indonesia may be contributed to a newly formed joint venture, and territorial restrictions on competition may be imposed by the contractual arrangements associated with the joint venture.
5. *Controladora GM.* GM Overseas Distribution Corporation or another Subsidiary of Parent may hold the Equity Interests in Controladora General Motors S.A. de C.V.
6. *LAAM.* The Equity Interests in certain Subsidiaries conducting business in the Latin America, Africa and Middle East region, including Sarmiento 1113 S.A., GM East Africa, GM Nigeria, Chevrolet S.A. and GM Colmotores S.A. may be transferred by Parent or its Subsidiaries to other direct or indirect Subsidiaries of Parent, certain equity accounts of GM Colmotores S.A. may be recapitalized, and GM Colmotores S.A. may acquire shares from certain minority shareholders of GM Colmotores S.A. and may change its ownership structure if such acquisition occurs, and GM Colmotores S.A. may amend its Organizational Documents if a reclassification of its Equity Interests occurs.
7. *Europe.* The Equity Interests that Parent or any of its Subsidiaries holds in certain European Subsidiaries, including, General Motors Europe Holdings, S.L., General Motors Espana, S.L. and GM Automotive UK may be transferred to AOG, another Subsidiary of Parent, a newly formed Subsidiary of Parent or a German law limited partnership established to hold certain Equity Interests in trust for the benefit of the Parent and the German government. GM Strasbourg S.A. may become a direct Subsidiary of Parent. GM Europe Treasury Company AB may be reorganized to split the company into separate entities and to transfer certain assets and Liabilities to AOG.
8. *Joint Ventures.* Existing joint venture and similar agreements may be amended, altered or modified to effectuate the transactions contemplated by this Section 6.2 of this Sellers' Disclosure Schedule, additional equity investments in existing joint ventures may be made, Equity Interests held by Parent or its Subsidiaries in joint ventures may be transferred or sold, Organizational Documents of existing joint venture agreements may be amended, altered or modified and contractual rights relating to joint venture and similar agreements may be assigned to Transferred Entities or otherwise amended, altered or modified. Contractual arrangements associated with additional equity investments in existing joint ventures may include territorial restrictions on competition.
9. *Other.* Parent or its Subsidiaries may transfer Equity Interests in certain Subsidiaries that are determined to be Excluded Entities prior to the Closing. Equity Interests in Excluded Entities, and other Excluded Assets, may be held by Parent or Excluded Entities.

In connection with the foregoing reorganizations, Parent and its Subsidiaries may enter into local transfer agreements and may execute such other instruments and take such other actions as Parent and its Subsidiaries may deem reasonably necessary in order to implement such reorganizations. Parent and its Subsidiaries may continue to comply with all of their commitments and obligations under joint venture and similar agreements in existence as of the date hereof and shall not be required to take any action (or refrain from taking any action) under this Section 6.2 of this Sellers' Disclosure Schedule with respect to any joint venture or similar arrangement if such action is prohibited by any such agreement or requires the

consent of the counterparty to any such agreement and such consent is denied, or if so refraining would cause Sellers or any Purchased Subsidiary to breach any such agreement (including any fiduciary duty under any such agreement).

Joint Ventures

1. *Japan.* Parent is in the process of winding down GMI Diesel Engineering Limited, a joint venture with Isuzu Motors Limited.
2. *Acquisition of Equity Interests in Joint Ventures.* Parent, through one or more of its Subsidiaries, is in the process of acquiring an Equity Interest in the following proposed joint ventures: (i) FAW-GM Light Duty Commercial Vehicle Company Limited and (ii) Shanghai OnStar Telematics Company Ltd.

Canadian Matters

1. Sellers' Canadian Subsidiaries may engage in activities necessary to (i) implement the Canadian Warranty Commitment Program; (ii) comply with the terms of any Indebtedness; (iii) comply with the terms of any Collective Bargaining Agreement or other employment or benefit agreement or undertaking; (iv) comply with any business plans provided to a Governmental Authority in connection with the business or affairs of any Sellers' Canadian Subsidiaries; (v) comply with all applicable Laws including any relating to Tax matters.
2. GMCL and any Subsidiary of GMCL may engage in activities as set out in any Order granted by the Ontario Superior Court of Justice or granted by any other court or other Governmental Authority in connection with any proceeding commenced under the Companies' Creditors Arrangement Act (Canada) or other bankruptcy, insolvency or other similar statute by GMCL, or any Subsidiary of GMCL, in respect of GMCL or any Subsidiary of GMCL.
3. Sellers may do all things necessary and appropriate in furtherance of consummation of the Nova Scotia Settlement. "Nova Scotia Settlement" means the following actions and outcomes: (a) entry by General Motors Nova Scotia Finance Company, a Nova Scotia unlimited company ("GMNS"), and GMCL into an agreement (the "GMCL Loan Settlement") with respect to the complete satisfaction and discharge of the loan agreements between GMCL and GMNS, each dated July 10, 2003, in exchange for a cash payment and the related transfer of funds (the "GMCL Settlement Amount"); (b) the calling of a meeting of noteholders (the "GMNS Noteholders") in accordance with that certain Fiscal and Paying Agency Agreement (the "Paying Agent Agreement") dated as of July 10, 2003 by and among GMNS, Parent, Deutsche Bank Luxembourg SA and Banque Generale du Luxembourg S.A. to (among other things) approve of the GMCL Loan Settlement; (c) the payment of an amount (in the form of a consent fee or otherwise) by GMNS to all of the GMNS Noteholders as contemplated by those certain Lock-Up Agreements by and among GMNS, Parent, GM Nova Scotia Investments, Ltd., a Nova Scotia company, GMCL and certain GMNS Noteholders (the "Lock-Up Agreements") and the Extraordinary Resolution to be voted upon at such meeting; (d) the transfer of funds by Parent to GMCL, which funds will be used by GMCL to pay the GMCL Settlement Amount to

GMNS, which transfer of funds occurred before the date of this Agreement; (e) entry into that certain Stipulation and Minutes of Settlement by and among GMNS and certain GMNS Noteholders, which agreement was executed prior to the execution of the Agreement; (f) the subordination of the obligations of GMNS to Parent, under currency swap arrangements between Parent and GMNS, to the obligations of GMNS to the GMNS Noteholders under the notes issued pursuant to the Paying Agent Agreement; (g) an agreement by Parent not to set off its rights under any amounts owed to it under the above-referenced currency swap arrangements against any amounts Parent may owe to GMNS; and (h) the execution of any agreements to effectuate the foregoing, including Lock-Up Agreements with additional GMNS Noteholders.

4. GMCL may sell to 1908 Holdings Ltd., a wholly-owned Subsidiary of GMCL, receivables from Parent.

Divestitures

With the consent of Purchaser (not to be unreasonably withheld, conditioned or delayed), Parent and its Subsidiaries may, through a series of sales, assignments, transfers, conveyances, deliveries, licenses, stock splits, redemptions, contributions, dividends, distributions or other transactions, divest or agree to divest themselves of certain assets and Liabilities that are not currently anticipated to be core to the operations of Purchaser following the Closing. Such non-core operations include those portions of Sellers' businesses comprising the Hummer, Saturn, Saab and medium-duty truck lines of business. In connection with such divestitures, Parent and its Subsidiaries may or may agree to (i) contract manufacture/continue to contract manufacture product for a limited period of time, (ii) distribute/continue to distribute parts for Discontinued Brands and contract manufacturing, (iii) enter into transition services agreements pursuant to which they will perform various necessary services, (iv) transfer intellectual property assets (trademarks, trade names, trade dress, product design/shape, advertising tag lines and internet domain names), whether currently owned by GMGTO or by Parent or any other Subsidiary, outside the Ordinary Course of Business, and transfer Personal Property outside the Ordinary Course of Business, (v) enter into License Agreements with respect to Intellectual Property used by Parent or its Subsidiaries, but necessary to the divested lines of business, (vi) reject or cancel certain Seller Material Contracts, (vii) effect a reorganization of the holding company structure of certain of its Subsidiaries related to such business lines, (viii) negotiate separate agreements (*e.g.*, with On-Star, XM and others), (ix) terminate/transfer certain valuable management employees associated with the divested business lines, (x) manage the AM General contract on behalf of a buyer of the Hummer business, (xi) sell the Shreveport manufacturing facility (including Personal Property) to a buyer of the Hummer business, (xii) enter into dealer Deferred Termination Agreements with respect to certain Discontinued Brands, and (xiii) retain certain accounts payable, dealer obligations, policies/warranty obligations and reserve allowances.

Delphi Matters

GM Components Holdings, LLC ("GMCH") and Parent have entered into a definitive agreement with Delphi Corporation ("Delphi") and an Affiliate of Platinum Equity ("Platinum") pursuant to which (i) GMCH agreed to acquire certain assets and UAW sites of Delphi and to assume certain

EXHIBIT F

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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	Chapter 11
MOTORS LIQUIDATION COMPANY, *et al.*, f/k/a General Motors Corporation, *et al.*,	Case No.: 09-50026 (REG)
Debtors.	(Jointly Administered)
MOTORS LIQUIDATION COMPANY GUC TRUST,	
Plaintiff,	Adversary Proceeding Case No.: 12-_____
v.	
APPALOOSA INVESTMENT LIMITED PARTNERSHIP I; PALOMINO FUND LTD; THOROUGHBRED FUND LP; THOROUGHBRED MASTER LTD; THE LIVERPOOL LIMITED PARTNERSHIP; ELLIOT INTERNATIONAL LP; DRAWBRIDGE DSO SECURITIES LLC; DRAWBRIDGE OSO SECURITIES LLC; FCOF UB SECURITIES LLC; AURELIUS INVESTMENT LLC; CITIGROUP GLOBAL MARKETS INC.; LMA SPC FOR AND ON BEHALF OF THE MAP 84 SEGREGATED; KNIGHTHEAD MASTER FUND, L.P.; KIVU INVESTMENT FUND LIMITED; CQS DIRECTIONAL OPPORTUNITIES MASTER FUND LIMITED; MORGAN STANLEY & CO. INTERNATIONAL PLC; SG AURORA MASTER FUND L.P.; THE CANYON VALUE REALIZATION FUND (CAYMAN), LTD; ANCHORAGE CAPITAL	**COMPLAINT**

MASTER OFFSHORE LTD; ONEX DEBT OPPORTUNITY FUND, LTD; REDWOOD MASTER FUND LTD; COLLINS STEWART (CI) LTD; SPH INVEST SA; CONSILIUM TREUHAND AG & BEATA DOMUS ANSTALT; MARIA-DOROTHEA LAMINET; CREDIT SUISSE AG; CHEVIOT ASSET MANAGEMENT; ING. HUGO WAGNER; ALLIANZ BANK FINANCIAL ADVISORS SPA; RUI MANUEL ANTUNES GONCALVES ROSA; UBS AG, ZURICH (SWITZERLAND); ALY AZIZ; JOHANNA SCHOEFFEL; SIRDAR ALY AZIZ; CSS, LLC; JOSEF SCHMIDSEDER; HERMANN DETTMAR AND HELENE DETTMAR; CLAUS PEDERSEN; HFR RVA ADVENT GLOBAL OPPORTUNITY MASTER TRUST; THE ADVENT GLOBAL OPPORTUNITY MASTER FUND; BANCA DELLE MARCHE SPA; ORE HILL CREDIT HUB FUND LTD; BHALODIA RV/RM/PATEL RG; BARCLAYS BANK PLC; JPMORGAN SECURITIES LIMITED; INTESA SANPAOLO SPA; INTESA SANPAOLO PRIVATE BANKING SPA; CREDITO EMILIANO SPA; UNICREDIT BANCA DI ROMA SPA; HUTCHIN HILL CAPITAL C1, LTD.; DEUTSCHE BANK SPA; BANCA POPOLARE DI VICENZA SCPA; CASSA CENTRALE BANCA-CREDITO COOPERATIVO DEL NORD EST SPA; BANCA DI CREDITO COOPERATIVO DI ROMA SOCIETA COOPERATIVA; BANK OF VALLETTA PLC; BANCA DI CREDITO COOPERATIVO ABRUZZESE-CAPPELLE SUL TAVO-SOCIETA COOPERTIVA; UBS AG; PERA UGO; GARIBALDI ROSANNA; CANYON VALUE REALIZATION FUND LP; LYXOR/CANYON VALUE REALIZATION FUND LIMITED; CANYON-GRF MASTER FUND LP; PROSPECT MOUNTAIN FUND LIMITED; RED RIVER BUSINESS INC.; GREEN HUNT WEDLAKE, INC., as trustee for General Motors Nova Scotia Finance Company; JOHN DOE NOS. 1-100; and JOHN DOE, INC. NOS. 1-100,

Defendants.

Plaintiff, Motors Liquidation Company GUC Trust ("**Plaintiff**" or "**GUC Trust**"), a trust established in connection with the *Debtors' Second Amended Joint Chapter 11 Plan* (Docket No. 9836) dated March 18, 2011 and confirmed on March 29, 2011 (the "**Plan**"), hereby brings this complaint (the "**Complaint**"), and alleges, upon information and belief, as follows against Defendants:

NATURE OF THE ACTION AND RELIEF SOUGHT

1. This action for recharacterization and equitable subordination, or alternatively equitable disallowance, of claims held by the Defendants supplements the Objection already on file with this Court with regard to these same claims.

2. While the United States Government ("**Treasury**") and Old GM raced against the clock to rescue an icon of American industry from liquidation, a band of hedge fund noteholders saw an unprecedented eleventh-hour opportunity for profit and pounced. On the very same day that Old GM filed its historic bankruptcy, these noteholders entered into a settlement agreement, known as the "**Lock-Up Agreement**," that purported to settle meritless litigation commenced by such hedge funds in Canada, in exchange for an exorbitant and commercially unreasonable $367 million cash payment funded by Old GM, *plus* allowed claims against Old GM's estate for more than $2.67 billion. Prior to the Lock-Up Agreement, the aggregate face amount of all claims by holders of Notes was less than $1 billion.

3. The Notes involved in this case, which were guaranteed by Old GM, were issued in 2003 by Old GM's wholly-owned subsidiary, General Motors Nova Scotia Finance Company ("**Nova Scotia Finance**"), a finance company with virtually no assets. Thus, the approximately $2.67 billion of allowed claims against Old GM's estate pursuant to the Lock-Up Agreement and the $367 million cash payment, which was intentionally mislabeled a "consent fee," were out of

all proportion to the claims of Aurelius, Appaloosa, Fortress and Elliot, the four hedge fund noteholders referred to herein as the "**Lock-Up Noteholders**."

4. At stake in this case, however, is more than just an egregious economic overreach by the Lock-Up Noteholders. The Lock-Up Noteholders drove such a hard bargain and went to such lengths to make the most of their perceived economic leverage over Old GM and its Canadian affiliates, that they did not succeed in wrapping up their sweetheart deal in advance of Old GM's bankruptcy filing. Rather, as explained below, the Lock-Up Agreement was not completed until *after* Old GM's bankruptcy petition was filed.

5. Because the Lock-Up Agreement was a post-petition settlement to which Old GM was a party, this Court's approval of the agreement was required. However, such approval was neither sought nor obtained.

6. The failure to seek Court approval of the Lock-Up Agreement was not an oversight. To the contrary, it was part of the Lock-Up Noteholders' plan. The Lock-Up Noteholders represented to this Court on a number of occasions that the Lock-Up Agreement was entered into pre-petition, even though that was not the case, in order to evade this Court's scrutiny of the Lock-Up Agreement and their enrichment at the expense of other unsecured creditors of Old GM. Because the Lock-Up Agreement is not a rational settlement, it could not have passed muster under the "lowest point in the range of reasonableness" standard that the Court would have applied in reviewing such a settlement. The Lock-Up Agreement falls well below the lowest point in such range.

7. In addition to the above misrepresentation about the Lock-Up Agreement, the Lock-Up Noteholders violated numerous provisions of the Bankruptcy Code in consummating the Lock-Up Agreement and entering into the related transactions post-petition. For example,

the Lock-Up Noteholders violated the automatic stay because each post-petition act in furtherance of the Lock-Up Agreement was a wrongful attempt to obtain possession of property of the estate and to collect a pre-petition claim against Old GM.

8. Further, the Lock-Up Noteholders participated in, and benefited from, a scheme to use property of Old GM's estate out of the ordinary course of business and without bankruptcy court approval, in violation of sections 363(b) and 549 of the Bankruptcy Code. Indeed, upon information and belief, the $367 million Consent Fee itself was paid from funds that rightfully should have been returned to Old GM's estate. Instead, those funds were diverted to pay the Consent Fee without any approval by this Court.

9. All of the above wrongful conduct by the Lock-Up Noteholders, as well as other such conduct detailed herein, warrants equitable subordination, or alternatively, equitable disallowance of the claims held by the Defendants set forth in Exhibit A attached hereto (collectively, the "**Equitable Subordination Defendants**").

10. Further, because the payment of the "consent fee" was a disguised payment of principal, the Court should, in the exercise of its equitable powers, recharacterize the Consent Fee as a payment of principal and reduce the Defendants' claims accordingly.

PARTIES

11. On June 1, 2009 at 7:57 a.m. (the "**Petition Date**"), Motors Liquidation Company f/k/a General Motors Corporation ("**Old GM**") and certain of its subsidiaries (collectively, the "**Debtors**") filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**") in the United States Bankruptcy Court for the Southern District of New York.

12. On June 3, 2009, the United States Trustee for the Southern District of New York appointed the Official Committee of Unsecured Creditors (the "**Creditors' Committee**"), pursuant to section 1102 of the Bankruptcy Code.

13. Plaintiff GUC Trust is a trust established pursuant to the Plan, for the benefit of holders of Allowed General Unsecured Claims (as defined in the Plan) to undertake and fulfill certain post-effective date responsibilities under the Plan, including, but not limited to, prosecuting and resolving Disputed General Unsecured Claims (as defined in the Plan), which include (i) claims asserted based on Old GM's guarantee of £350,000,000 principal amount of 8.375% guaranteed notes due December 7, 2015 (the "**2015 Notes**") and £250,000,000 principal amount of 8.875% guaranteed notes due July 10, 2023 (the "**2023 Notes**" and together with the 2015 Notes, the "**Notes**") issued by Nova Scotia Finance in 2003 to certain beneficial owners pursuant to the Nova Scotia Fiscal and Paying Agency Agreement (as defined in the Plan), aggregating $1,072,557,531.72 (the "**Guarantee Claims**") and (ii) the claim asserted by a Canadian bankruptcy trustee of Nova Scotia Finance in the amount of $1,607,647,592.49 (the "**Duplicative Claim**" and together with the Guarantee Claims, the "**Disputed NS Claims**"). The GUC Trust is the successor-in-interest to the Creditors' Committee for all purposes relevant to the Objection, as supplemented by this Complaint.

14. Defendant Appaloosa Investment Limited Partnership I ("**Appaloosa Investment**") is an entity that legally or beneficially holds Guarantee Claims.

15. Defendant Palomino Fund LTD ("**Palomino**") is an entity that legally or beneficially holds Guarantee Claims.

16. Defendant Thoroughbred Fund LP ("**Thoroughbred Fund**") is an entity that legally or beneficially holds Guarantee Claims.

17. Defendant Thoroughbred Master LTD ("**Thoroughbred Master**" and together with Appaloosa Investment, Palomino and Thoroughbred Fund, "**Appaloosa**") is an entity that legally or beneficially holds Guarantee Claims.

18. Defendant The Liverpool Limited Partnership ("**Liverpool**") is an entity that legally or beneficially holds Guarantee Claims.

19. Defendant Elliot International LP (together with Liverpool, "**Elliot**") is an entity that legally or beneficially holds Guarantee Claims.

20. Defendant Drawbridge DSO Securities LLC ("**Drawbridge DSO**") is an entity that legally or beneficially holds Guarantee Claims.

21. Defendant Drawbridge OSO Securities LLC ("**Drawbridge OSO**") is an entity that legally or beneficially holds Guarantee Claims.

22. Defendant FCOF UB Securities LLC ("**FCOF**" and together with Drawbridge DSO and Drawbridge OSO, "**Fortress**") is an entity that legally or beneficially holds Guarantee Claims.

23. Defendant Aurelius Investment LLC ("**Aurelius**") is an entity that legally or beneficially holds Guarantee Claims.

24. Defendant Citigroup Global Markets Inc. is an entity that legally or beneficially holds Guarantee Claims.

25. Defendant LMA SPC for and on behalf of the MAP 84 Segregated is an entity that legally or beneficially holds Guarantee Claims.

26. Defendant Knighthead Master Fund, L.P. is an entity that legally or beneficially holds Guarantee Claims.

27. Defendant KIVU Investment Fund Limited is an entity that legally or beneficially holds Guarantee Claims.

28. Defendant CQS Directional Opportunities Master Fund Limited is an entity that legally or beneficially holds Guarantee Claims.

29. Defendant Morgan Stanley & Co. International plc is an entity that legally or beneficially holds Guarantee Claims.

30. Defendant SG Aurora Master Fund L.P. is an entity that legally or beneficially holds Guarantee Claims.

31. Defendant The Canyon Value Realization Fund (Cayman), Ltd is an entity that legally or beneficially holds Guarantee Claims.

32. Defendant Anchorage Capital Master Offshore Ltd is an entity that legally or beneficially holds Guarantee Claims.

33. Defendant Onex Debt Opportunity Fund, LTD is an entity that legally or beneficially holds Guarantee Claims.

34. Defendant Redwood Master Fund LTD is an entity that legally or beneficially holds Guarantee Claims.

35. Defendant Collins Stewart (CI) Ltd is an entity that legally or beneficially holds Guarantee Claims.

36. Defendant SPH Invest SA is an entity that legally or beneficially holds Guarantee Claims.

37. Defendant Consilium Treuhand AG & Beata Domus Anstalt is an entity that legally or beneficially holds Guarantee Claims.

38. Defendant Maria-Dorothea Laminet is an individual who legally or beneficially holds Guarantee Claims.

39. Defendant Credit Suisse AG is an entity that legally or beneficially holds Guarantee Claims.

40. Defendant Cheviot Asset Management is an entity that legally or beneficially holds Guarantee Claims.

41. Defendant Ing. Hugo Wagner is an individual who legally or beneficially holds Guarantee Claims.

42. Defendant Allianz Bank Financial Advisors SPA is an entity that legally or beneficially holds Guarantee Claims.

43. Defendant Rui Manuel Antunes Goncalves Rosa is an individual who legally or beneficially holds Guarantee Claims.

44. Defendant UBS AG, Zurich (Switzerland) is an entity that legally or beneficially holds Guarantee Claims.

45. Defendant Aly Aziz is an individual who legally or beneficially holds Guarantee Claims.

46. Defendant Johanna Schoeffel is an individual who legally or beneficially holds Guarantee Claims.

47. Defendant Sirdar Aly Aziz is an individual who legally or beneficially holds Guarantee Claims.

48. Defendant CSS, LLC is an entity that legally or beneficially holds Guarantee Claims.

49. Defendant Josef Schmidseder is an individual who legally or beneficially holds Guarantee Claims.

50. Defendants Hermann Dettmar and Helene Dettmar are individuals who legally or beneficially hold Guarantee Claims.

51. Defendant Claus Pedersen is an individual that legally or beneficially holds Guarantee Claims.

52. Defendant HFR RVA Advent Global Opportunity Master Trust is an entity that legally or beneficially holds Guarantee Claims.

53. Defendant The Advent Global Opportunity Master Fund is an entity that legally or beneficially holds Guarantee Claims.

54. Defendant Banca delle Marche SPA is an entity that legally or beneficially holds Guarantee Claims.

55. Defendant Ore Hill Credit Hub Fund Ltd is an entity that legally or beneficially holds Guarantee Claims.

56. Defendant Bhalodia RV/RM/Patel RG is an entity that legally or beneficially holds Guarantee Claims.

57. Defendant Barclays Bank PLC is an entity that legally or beneficially holds Guarantee Claims.

58. Defendant JPMorgan Securities Limited is an entity that legally or beneficially holds Guarantee Claims.

59. Defendant Intesa Sanpaolo SPA is an entity that legally or beneficially holds Guarantee Claims.

60. Defendant Intesa Sanpaolo Private Banking SPA is an entity that legally or beneficially holds Guarantee Claims.

61. Defendant Credito Emiliano SPA is an entity that legally or beneficially holds Guarantee Claims.

62. Defendant UniCredit Banca di Roma SPA is an entity that legally or beneficially holds Guarantee Claims.

63. Defendant Hutchin Hill Capital C1, Ltd. is an entity that legally or beneficially holds Guarantee Claims.

64. Defendant Deutsche Bank SPA is an entity that legally or beneficially holds Guarantee Claims.

65. Defendant Banca Popolare di Vicenza SCPA is an entity that legally or beneficially holds Guarantee Claims.

66. Defendant Cassa Centrale Banca-Credito Cooperativo del Nord Est SPA is an entity that legally or beneficially holds Guarantee Claims.

67. Defendant Banca di Credito Cooperativo di Roma Societa Cooperativa is an entity that legally or beneficially holds Guarantee Claims.

68. Defendant Bank of Valletta PLC is an entity that legally or beneficially holds Guarantee Claims.

69. Defendant Banca di Credito Cooperativo Abruzzese-Cappelle sul Tavo-Societa Coopertiva is an entity that legally or beneficially holds Guarantee Claims.

70. Defendant UBS AG is an entity that legally or beneficially holds Guarantee Claims.

71. Defendant Pera Ugo is an entity that legally or beneficially holds Guarantee Claims.

72. Defendant Garibaldi Rosanna is an entity that legally or beneficially holds Guarantee Claims.

73. Defendant Canyon Value Realization Fund LP is an entity that legally or beneficially holds Guarantee Claims.

74. Defendant Lyxor/Canyon Value Realization Fund Limited is an entity that legally or beneficially holds Guarantee Claims.

75. Defendant Canyon-GRF Master Fund LP is an entity that legally or beneficially holds Guarantee Claims.

76. Defendant Prospect Mountain Fund Limited is an entity that legally or beneficially holds Guarantee Claims.

77. Defendant Red River Business Inc. is an entity that legally or beneficially holds Guarantee Claims.

78. Defendant Green Hunt Wedlake, Inc., in its capacity as trustee for Nova Scotia Finance (the "**Nova Scotia Finance Trustee**" and together with the Lock-Up Noteholders, the "**Lock-Up Defendants**"), is the Canadian bankruptcy trustee retained at the direction of the Lock-Up Noteholders to assert the Duplicative Claim for their benefit and is the legal holder of such claim.

79. The true names, identities and capacities of Defendants sued herein as John Doe Nos. 1-100, and John Doe, Inc. Nos. 1-100 are unknown to Plaintiff. These fictitiously named Defendants acquired Notes after the Petition Date, directly or indirectly, from the Lock-Up Noteholders. As and when the names, identities and capacities of these fictitiously named

Defendants become known, Plaintiff will amend this Complaint to set forth these Defendants' true names, identities and capacities and otherwise proceed against them as if they had been named parties upon the commencement of this adversary proceeding in accordance with Rules 15 and 25 of the Federal Rules of Civil Procedure, made applicable to this proceeding by Rules 7015 and 7025 of the Federal Rules of Bankruptcy Procedure.

80. The parties identified in paragraphs 14-79, above, are collectively referred to herein as the "**Defendants**."

81. Exhibit A attached hereto identifies the Equitable Subordination Defendants. This exhibit lists, upon information and belief: (i) Lock-Up Defendants that still hold Disputed NS Claims, and (ii) current holders of Guarantee Claims that were acquired after the Petition Date, directly or indirectly, from the Lock-Up Noteholders.

82. Exhibit B attached hereto identifies, upon information and belief, all current holders of Disputed NS Claims. All parties listed in Exhibit B are named as Defendants with respect to the recharacterization count.

JURISDICTION AND VENUE

83. This action is brought pursuant to Rules 3007 and 7001 of the Federal Rules of Bankruptcy Procedure seeking relief in accordance with §§ 105(a), 501, 502 and 510 of the Bankruptcy Code.

84. This Court has subject matter jurisdiction over this matter under 28 U.S.C. §§ 1334 and 157. This matter constitutes a "core" proceeding within the meaning of 28 U.S.C. §§ 157(b)(1) and 157(b)(2)(A), (B) and (O).

85. This Court has personal jurisdiction over each of the Defendants because each Defendant has filed a proof of claim or notice of a claim transfer ("**Transfer Notice**") in the

above-captioned bankruptcy cases (the "**Bankruptcy Cases**") and has, therefore, submitted to the jurisdiction of this Court. While counsel to the Lock-Up Noteholders has stated that certain Lock-Up Noteholders have transferred their Guarantee Claims, the Transfer Notices filed on the docket on or before the Distribution Record Date (as defined in the Plan) do not reflect any such transfers.

86. Plaintiff brings this action pursuant to the authority granted to it in section 6.2(f) of the Plan, among other sources of authority.

PROCEDURAL HISTORY

87. On July 2, 2010, the Creditors' Committee filed an objection (Docket No. 6248) (the "**First Objection**") seeking to (i) disallow certain Guarantee Claims and the Duplicative Claim under section 502 of the Bankruptcy Code on the grounds, among others, that (a) such claims are duplicative and (b) the Lock-Up Agreement is avoidable as a fraudulent transfer under section 548 of the Bankruptcy Code and under New York law, or, in the alternative, the Lock-Up Agreement is avoidable as an unauthorized post-petition transfer under section 549 of the Bankruptcy Code; and/or (ii) equitably subordinate certain Guarantee Claims and the Duplicative Claim under section 510(c) of the Bankruptcy Code.

88. On November 19, 2010, the Creditors' Committee filed an amended objection (Docket No. 7859) (the "**Amended Objection**" and together with the First Objection, the "**Objection**") seeking to, among other things, disallow all Disputed NS Claims under section 502(d) of the Bankruptcy Code or equitably subordinate the Disputed NS Claims under section 510(c) of the Bankruptcy Code, or, in the alternative, reduce the Disputed NS Claims to the principal amount of the Notes less the "consent fee," which fee should be recharacterized as a principal prepayment.

89. As noted above, this Complaint supplements the Objection already on file.

FACTUAL ALLEGATIONS

Lock-Up Noteholders Join An Ad-Hoc Bondholders' Committee

90. In late December 2008, due to the unprecedented economic crisis in the United States, Old GM was in need of a lifeline to avoid liquidation. Treasury provided emergency funding to Old GM on the condition that Old GM develop a proposal to achieve and sustain long-term viability. This condition required that Old GM negotiate with its creditors, such as the United Auto Workers and bondholders, to implement a restructuring of its obligations and reduction of its debt.

91. As set forth in Exhibit C attached hereto, before the Petition Date, certain Lock-Up Noteholders began to purchase their Notes in the secondary market at a steep discount to par.

92. Around that same time, various holders of unsecured debt issued or guaranteed by Old GM, including certain Lock-Up Noteholders, joined an ad-hoc bondholders' group (the "**Steering Committee**") to negotiate with Old GM, on behalf of all bondholders, regarding a potential out-of-court restructuring of its overall unsecured debt. Soon after the Steering Committee was formed, Old GM, with the assistance of Treasury, commenced negotiations with its creditors to develop such a restructuring plan.

93. In March 2009, Treasury rejected Old GM's initial restructuring plan and gave Old GM sixty (60) days to submit a viable restructuring plan. If Old GM could not submit a viable restructuring plan before this deadline – June 1, 2009 – Treasury would not provide additional financing. In such a circumstance, Old GM would have been forced to discontinue its operations and liquidate under chapter 7 of the Bankruptcy Code.

The Lock-Up Noteholders Commence Litigation In Canada

94. On March 2, 2009, while negotiations with Old GM and the Steering Committee, among others, were continuing, certain Lock-Up Noteholders commenced a lawsuit (the "**Nova Scotia Action**") against Old GM, Nova Scotia Finance, GM Nova Scotia Investments Ltd., a Nova Scotia company ("**Nova Scotia Investments**"), General Motors of Canada Limited, a Canadian corporation ("**GM Canada**") and certain individual officers and directors of such entities, in the Supreme Court of Nova Scotia, alleging, among other things, oppressive conduct by the defendants named therein.

95. The Nova Scotia Action claimed that the Lock-Up Noteholders had suffered "oppression" as a result of certain transfers of money from Nova Scotia Finance and Nova Scotia Investments to Old GM. As to Old GM, the complaint alleged that Old GM had been unjustly enriched as a result of these transfers and sought to recover the value of the transfers from Old GM, among other defendants, for payment to the Lock-Up Noteholders.

96. These claims, however, were entirely without merit and were asserted to exert maximum leverage in Old GM's domestic and Canadian restructuring process.

97. Among other reasons, the Nova Scotia Action lacked merit because, in order to establish eligibility for the oppression remedy under Nova Scotia law, the Lock-Up Noteholders were required to show that they acquired the Notes without constructive or actual knowledge of the complained of acts. Here, the July 9, 2003 disclosure provided in connection with issuance of the Notes (the "**Offering Circular**") stated that the proceeds therefrom would be provided, directly or indirectly, to Old GM as part of an overall effort to accelerate improvements in Old GM's balance sheet. The Offering Circular stated that Nova Scotia Finance "has no independent operations other than acting as a finance company" for Old GM and its affiliates. Furthermore,

Nova Scotia Finance had no legal obligation to maintain any level of assets or share capital, and was not required to satisfy any test of solvency before making the transfers at issue in the Nova Scotia Action.

98. Old GM's exposure from the Nova Scotia Action, therefore, was minimal. Indeed, the Lock-Up Noteholders appeared to acknowledge as much, with one Lock-Up Noteholder referring in an internal communication to the oppression claims as a "last refuge of scoundrels" providing "equitable powers to fashion remedies out of whole cloth."

99. Moreover, the Lock-Up Noteholders knew or should have known about the challenged transfers before purchasing the Notes, notice of which was publicly filed at the Registry of Joint Stock Companies of Nova Scotia on May 27, 2008, almost a year prior to the filing of the Nova Scotia Action.

100. These facts notwithstanding, the Lock-Up Noteholders waited until Old GM was in an extraordinarily precarious financial position before commencing the Nova Scotia Action.

The Bond Exchange Offer Expires And The Lock-Up Noteholders Seek A Payday

101. On April 27, 2009, with Treasury's restructuring deadline looming, Old GM launched an exchange offer and consent solicitation for approximately $27 billion of its unsecured debt (the "**Bond Exchange Offer**"), pursuant to which Old GM offered nearly identical consideration (a combination of shares and cash) for each outstanding series of notes, including the Notes.

102. In connection with the Bond Exchange Offer, Old GM filed a prospectus disclosing that Nova Scotia Finance (i) had assets consisting of two unsecured intercompany loans to GM Canada, dated July 10, 2003, with a face value of approximately CAD $1.33 billion (the "**Intercompany Loans**") and (ii) was a party to two currency swap agreements with Old

GM, dated July 10, 2003, pursuant to which Nova Scotia Finance would pay Canadian dollars and receive pounds sterling (the "**Swap Arrangements**"). Upon expiration of the Swap Arrangements, assuming the Canadian dollar appreciated relative to the pound sterling, Old GM would be "in the money," resulting in a swap receivable owed to Old GM by Nova Scotia Finance based on the Swap Arrangements (the "**Swap Liability**").

103. The prospectus also disclosed that, under Nova Scotia corporate law, because Nova Scotia Finance is an unlimited company, if Nova Scotia Finance "is 'wound up' (which includes liquidation and likely includes bankruptcy), the liquidator or trustee in bankruptcy may be able to assert a claim against [Old GM], the shareholder of [Nova Scotia Finance], to contribute to [Nova Scotia Finance] an amount sufficient" to pay its debts and liabilities.

104. Upon learning of the existence of the Intercompany Loans, the Lock-Up Noteholders, acting on behalf of Nova Scotia Finance (which the Lock-Up Noteholders alleged was conflicted and unable to act against its affiliate GM Canada), used their bogus pending litigation to demand repayment of the Intercompany Loans. Given GM Canada's limited resources at the time, such demand threatened to force GM Canada into bankruptcy.

105. In aggressively pursuing the Nova Scotia Action, the Lock-Up Noteholders dropped any pretense of seeking a global resolution through the Steering Committee on behalf of all bondholders, and the Bond Exchange Offer, unsurprisingly, failed and expired on May 26, 2009.

106. With less than three days remaining before the Treasury deadline, Nova Scotia Finance, on Thursday, May 28, 2009, made a cash offer to pay the Lock-Up Noteholders 0.28 GBP (pounds sterling) per GBP outstanding under the Notes in an attempt to settle the Nova Scotia Action and all liability of any GM entity with respect to the Notes. Nova Scotia Finance's

settlement offer contemplated that, in exchange for payment of approximately 28% of the face amount of the Notes, the Notes would be cancelled and all GM parties would be released from all liability related to the Notes.

107. The Lock-Up Noteholders, however, rejected this offer as "wholly inadequate."

The Pre-Petition Scramble To Move Cash To "Trust" To Pay Off The Lock-Up Noteholders

108. On Friday, May 29, 2009, the last business day before the Treasury deadline and with the prospect of an Old GM bankruptcy filing looming, officials at GM Canada and Old GM, which would be responsible for funding any settlement with the Lock-Up Noteholders, became concerned that they were running out of time to reach a deal.

109. The Lock-Up Noteholders had rejected Nova Scotia Finance's May 28, 2009 offer to pay 28% of the face value of the Notes, and on June 1, upon the filing of a bankruptcy case, Old GM would not be able to transfer such a large sum of money – nearly half a billion dollars – outside of its ordinary course of business absent Court approval.

110. As the day progressed, GM Canada sought a number of revised consents from its secured lender, Export Development Canada ("**EDC**"), to permit it to receive additional funds, in the form of a loan from Old GM. The purpose of the loan was to fund a settlement with the Lock-Up Noteholders that would extinguish the Notes in exchange for a cash payment, and eliminate all Disputed NS Claims. EDC's consent was required because, pursuant to GM Canada's loan agreement with EDC, GM Canada was required to notify EDC before incurring out of the ordinary course indebtedness in excess of $100 million.

111. Because the filing of a bankruptcy case would cut off Old GM's ability to transfer funds without this Court's approval, Old GM attempted to transfer the funds to GM Canada, even before reaching a deal with the Lock-Up Noteholders.

112. As the close of business on Friday, May 29, 2009 approached, GM Canada informed relevant parties that any wire transfer from Old GM to GM Canada would have to be made right away in order to complete the transfer of funds to GM Canada before the anticipated Old GM bankruptcy filing on June 1, 2009. It was not until several hours later that EDC consented via email to the $450 million loan from Old GM to GM Canada.

113. Late in the day on Friday, May 29, 2009, Old GM purportedly transferred $450 million (the "**Earmarked Funds**") to an account at TD Canada Trust in Canada, which was to be held in trust pursuant to an agreement dated as of May 29, 2009 and signed by Old GM and GM Canada (the "**Trust Agreement**"). This $450 million transfer was documented as an inter-company loan and evidenced by a promissory note dated May 29, 2009 and signed by GM Canada (the "**Promissory Note**").

114. Pursuant to the Trust Agreement, the Earmarked Funds were to be held in trust and used only to ultimately fund an amendment to the Notes to provide that such Notes would become mandatorily exchangeable into cash. Further, the Earmarked Funds were required to be returned to Old GM if the Lock-Up Noteholders failed to sign and deliver the Lock-Up Agreement on or before 11:30 p.m. EST on May 31, 2009 (the "**Lock-Up Deadline**").

115. As of the Lock-Up Deadline, the Lock-Up Noteholders had not yet signed and delivered their counterparts of the Lock-Up Agreement. In fact, as of such date and time, there was not yet a final draft of the Lock-Up Agreement. Consequently, pursuant to the Trust Agreement, GM Canada was required to return the Earmarked Funds to Old GM to satisfy the Promissory Note.

116. Negotiations between Old GM and the Lock-Up Noteholders continued well after the Lock-Up Deadline and through the morning of Monday, June 1, the Petition Date. When Old

GM filed its bankruptcy petition at 7:57 a.m. on the morning of June 1, 2009, which was more than eight hours after the Lock-Up Deadline, the status of the Earmarked Funds had not changed: The Lock-Up Noteholders still had not signed and delivered their counterparts of the Lock-Up Agreement. Thus, as of the Petition Date, the Earmarked Funds were payable to Old GM and the right to receive such funds under the Trust Agreement constituted property of Old GM's bankruptcy estate.

117. Remarkably, the Earmarked Funds were not returned to Old GM. Instead, to avoid this Court's scrutiny (and the likelihood that this Court's approval would not be forthcoming), the Trust Agreement was twice amended after the Petition Date and backdated to create the impression that the Earmarked Funds were not property of Old GM's estate and, therefore, that this Court's approval for the disposition of such funds was not necessary.

118. Upon information and belief, on or about June 8, 2009, the first amendment to the Trust Agreement was executed and delivered by Old GM, though backdated "as of May 31, 2009" (the "**First Trust Amendment**") which, for the first time, introduced the possibility that the Earmarked Funds would be used for a purpose other than extinguishment of the Notes. Moreover, the First Trust Amendment, among other things, ostensibly extended the Lock-Up Deadline from 11:30 p.m. on May 31, 2009 to 6:00 a.m. on June 1, 2009.

119. Even though the First Trust Amendment was not executed before the Petition Date, no Court approval was sought or obtained for the Old GM bankruptcy estate to enter into such an out-of-the-ordinary-course transaction. The First Trust Amendment thus is voidable and not binding. Even if the First Trust Amendment had been executed prior to the Petition Date, the Earmarked Funds were still required to be repaid to Old GM inasmuch as the Lock-Up

Noteholders had not signed and delivered their counterparts to the Lock-Up Agreement by the 6:00 a.m. deadline, as discussed below.

120. Upon information and belief, on or about June 8, 2009, a second amendment to the Trust Agreement was executed and delivered by GM Canada and Old GM, though backdated "as of June 3, 2009" (the "**Second Trust Amendment**" and together with the First Trust Amendment, the "**Trust Amendments**") which, for the first time, introduced the possibility that the Earmarked Funds would be used to fund legal fees incurred by the Lock-Up Noteholders and any fees incurred by the Nova Scotia Finance Trustee. Court approval for this Second Trust Amendment was neither sought nor obtained; thus, the Second Trust Amendment is voidable and not binding.

121. On June 5, 2009, more than $367 million of the Earmarked Funds were released from the GM Canada trust account and paid over to an escrow agent, pursuant to an escrow agreement, where such funds were held until the "extraordinary resolution" of holders of Notes approving the Lock-Up Agreement was passed on June 25, 2009. The following day, $367 million was paid as a "consent fee" to the holders of Notes.

122. As such Trust Amendments effectively transferred approximately $367 million of the Earmarked Funds from Old GM to the Lock-Up Noteholders after the Petition Date, bankruptcy approval was unquestionably required.

The Lock-Up Agreement Was A Post-Petition Agreement

123. As explained above, because the Lock-Up Noteholders' demands were far in excess of what Old GM had anticipated, the Lock-Up Agreement itself was not even finalized before the petition was filed at 7:57 a.m. on June 1, 2009. The negotiations came down to the wire and then pushed beyond the wire. Information, including correspondence and electronic

information obtained from the Lock-Up Defendants, New GM and Old GM, demonstrates that the Lock-Up Agreement was not finalized until after Old GM filed its Bankruptcy Case.

124. Although the Lock-Up Defendants have repeatedly represented to this Court that the Lock-Up Agreement is a pre-petition agreement insulated from this Court's scrutiny, upon information and belief, the Lock-Up Agreement was a post-petition settlement that should have been approved by the Court. But no approval was ever sought or obtained.

125. The implementation of the Lock-Up Agreement also required several post-petition transfers and uses of property of Old GM's bankruptcy estate, as well as post-petition actions by the Lock-Up Noteholders against Old GM, none of which were disclosed to, let alone approved by, the Court or the creditors in this case.

126. For example, Old GM, as the sole shareholder of Nova Scotia Finance, executed and delivered its consent to the transactions described in the Lock-Up Agreement on June 8, 2009, more than a week after the Petition Date, though the consent was backdated to June 1, 2009.

127. Further, the Lock-Up Agreement required that the Earmarked Funds, which constituted property of the Old GM bankruptcy estate on the Petition Date, be transferred to the Lock-Up Noteholders as a "Consent Fee."

128. The two amendments to the Trust Agreement discussed above were similarly not executed or delivered by Old GM or GM Canada until after the Petition Date. These two amendments were necessary to implement the terms of the Lock-Up Agreement and release the Earmarked Funds. As a result, payment of the Earmarked Funds to the holders of Notes violated the Trust Agreement in effect on the Petition Date inasmuch as the Lock-Up Agreement was not

finalized by the May 31 deadline and the Earmarked Funds were not paid to ultimately extinguish the Notes.

The Final Terms Of The Lock-Up Agreement Are Economically Irrational

129. The final Lock-Up Agreement was grossly disproportionate to any minimal benefit conferred on Old GM pursuant to the agreement.

130. According to Old GM's own internal analyses at the time of the May 30-31, 2009 weekend negotiations with the Lock-Up Noteholders, any settlement exceeding $285 million "all in" did not make economic sense for Old GM. In other words, while Old GM was prepared to cancel the Notes and all Disputed NS Claims, in exchange for a payment of up to $285 million, a negotiated resolution with the Lock-Up Noteholders did not make sense at amounts beyond $285 million or in a scenario where the Notes were not extinguished. In the end, under the Lock-Up Agreement, the Lock-Up Noteholders received value far in excess of Old GM's settlement parameters and beyond all economic reason.

131. First, under the Lock-Up Agreement, holders of the Notes as of June 25, 2009 received a cash "consent fee" of £223,303,500 (or approximately $367 million) (the "**Consent Fee**") plus reimbursement of the Lock-Up Noteholders' legal costs. The Consent Fee alone was well beyond any economically rational point of settlement.

132. Although the Consent Fee was nominally to be paid by Nova Scotia Finance, Old GM funded the Consent Fee. Upon information and belief, as explained above, payment of the Consent Fee after Old GM's bankruptcy petition was filed constituted an unauthorized use of Old GM's property.

133. The Lock-Up Noteholders extracted this $367 million cash payment from Old GM without any Court authorization, let alone adequate disclosure to the Court, Old GM's

creditors or other parties-in-interest in the Bankruptcy Cases. As shown in Exhibit C attached hereto, Appaloosa and Fortress purchased additional Guarantee Claims after the Petition Date, but before the Consent Fee was to be paid, in order to receive a greater share of such fee.

134. The Consent Fee represented over 35% of the face amount of the Notes then outstanding, and is thus many times greater than any commercially-reasonable consent fee.

135. Second, under the Lock-Up Agreement, the Consent Fee does not extinguish the Notes. Rather, under the Lock-Up Agreement, which specifically contemplated that Old GM would file a bankruptcy case on June 1, 2009, Old GM agreed to allow, to the fullest extent permitted under applicable laws, and not contest in its Bankruptcy Case, the Guarantee Claims for the full face amount of the Notes and other fees aggregating in excess of $1 billion, despite that, in substance, the Consent Fee was a payment of the principal amount owed on the Notes.

136. Third, the Lock-Up Agreement resulted in an enormous claim asserted against Old GM by the Nova Scotia Finance Trustee for the benefit of holders of the Notes. The Lock-Up Agreement set the wheels in motion for a Nova Scotia Finance bankruptcy, and enabled holders of the Notes to claim the amounts owed on the Notes from Old GM through the Nova Scotia Finance Trustee's assertion of the Duplicative Claim. Absent the Nova Scotia Finance bankruptcy, which was orchestrated by the Lock-Up Noteholders pursuant to the Lock-Up Agreement, Old GM would have had no liability to these noteholders other than under the guarantee.

137. Fourth, the Lock-Up Agreement created a massive and improper Swap Liability against Old GM. The Lock-Up Agreement transformed the Swap Liability from an amount owed to Old GM into an amount payable by Old GM by requiring that the Swap Liability be

included as part of the Nova Scotia Finance Trustee's Duplicative Claim for the benefit of holders of the Notes.

138. Finally, under the Lock-Up Agreement, Nova Scotia Finance agreed to release GM Canada from its obligation to repay the Intercompany Loans. As a direct result of this release (which appears to have been executed on June 25, 2009 in connection with passing the extraordinary resolution), Old GM became liable to Nova Scotia Finance with respect to the Intercompany Loans via the Duplicative Claim. Thus, every dollar that Nova Scotia Finance agreed to release GM Canada from with respect to the Intercompany Loans was a dollar for which Old GM became liable.

Nova Scotia Finance Files For Bankruptcy In Canada

139. On October 8, 2009, without notice to the Court or the creditors in this case, the Lock-Up Noteholders applied for a bankruptcy order, relying upon a previously-executed resolution dated as of June 4, 2009 that was purportedly signed by Nova Scotia Finance's directors. The Canadian bankruptcy order was entered on October 9, 2009, as first disclosed in an Old GM 8-K filing that same day (the "**October 8-K**").

140. This Canadian bankruptcy case was collusive from the start. The Lock-Up Noteholders intentionally waited three months following their receipt of the Consent Fee to commence a Nova Scotia Finance bankruptcy in order to shield the Consent Fee from avoidance claims under Canadian law. Further, the Lock-Up Noteholders caused the appointment of a trustee – Green Hunt Wedlake, Inc. – hand-picked by them, who acts at their direction and for their benefit.

141. The Nova Scotia Finance Trustee presented a preliminary report to creditors dated as of November 12, 2009 (the "**Report**"). The Report sets forth the Nova Scotia Finance

Trustee's understanding of Nova Scotia Finance's financial picture and contains a section on "Preferences and Transfers at Undervalue" that discusses the settlement of the Intercompany Loans for less than one third of the face amount owed. The Report notes that while "these transactions may qualify as a preference or transfer undervalue, it appears that all of the known creditors of . . . [Nova Scotia Finance] were either a beneficiary of the transaction or consented to and/or participated in the transaction . . . [and] no creditors were prejudiced." The Nova Scotia Finance Trustee failed to further investigate this settlement or to insist on the appointment of inspectors, as provided for under Canadian law.

The Lock-Up Agreement Was Not Properly Assumed By Old GM

142. On November 18, 2009, New GM sent Greenberg Traurig, counsel for the Lock-Up Noteholders, a letter confirming that Old GM had supposedly assumed the Lock-Up Agreement as of July 24, 2009. According to New GM, each Lock-Up Noteholder should have received a notice of assumption with instructions, as required by the court-approved assumption and assignment procedures. Upon information and belief, such notice was not provided. Moreover, although the Lock-Up Agreement had monumental consequences to Old GM's unsecured creditors, the Creditors' Committee was not provided with any notice that the agreement was purportedly being assumed by Old GM.

The Swap Component Of The Duplicative Claim Is Not Enforceable And Is Overstated

143. On November 9, 2009, as contemplated by the Lock-Up Agreement, New GM asserted a claim against Nova Scotia Finance based on the Swap Arrangements for more than $564 million (the "**Swap Claim**"). In support of the Swap Claim, New GM attached a "statement of account" indicating that it had acquired rights in that account pursuant to the sale order entered in these Bankruptcy Cases on July 5, 2009. Although the Swap Arrangements, like

the Lock-Up Agreement, had monumental consequences to Old GM's unsecured creditors, the Creditors' Committee was not provided with any notice that the Swap Liability was purportedly being transferred to New GM.

144.

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145. Further, New GM and the Lock-Up Defendants knew that, to the extent the Swap Claim was properly included in the Nova Scotia Finance Trustee's Duplicative Claim, the Swap Claim as asserted was inflated by several hundred million dollars. For example, internal analyses prepared by Old GM, New GM and the Lock-Up Noteholders reveal valuations of the Swap Claim well under $564 million.

146. In addition, a portion of the Swap Claim includes amounts purportedly due based on early termination despite knowledge by New GM and the Lock-Up Defendants that the Swap Arrangements had not been terminated. Upon information and belief, to this day, the Swap Arrangements have not been properly terminated.

The Lock-Up Defendants Made Misrepresentations To This Court

147. As discussed herein, the Lock-Up Agreement was a post-petition agreement. The Lock-Up Defendants, however, misstated the nature of the Lock-Up Agreement in an attempt to shield the agreement from scrutiny by the Court and by other creditors in the Bankruptcy Cases. For example, the Lock-Up Defendants falsely state in their respective responses to the Amended

Objection, filed with the Court on December 13, 2010, that the Lock-Up Agreement was a pre-petition settlement and therefore outside the review of the Court.

148. The Lock-Up Noteholders participated in the Lock-Up Agreement negotiations and related transactions, and thus knew that the Lock-Up Agreement and the transactions necessary to complete Old GM's performance thereunder were not completed until after Old GM's bankruptcy petition was filed.

149. Moreover, the Lock-Up Noteholders incorrectly claim that "the transactions under the Lock-Up Agreement" were fully and publicly disclosed and that the "Lock-Up Agreement was well publicized." Although Old GM filed an 8-K on June 1, 2009 that purported to disclose the Lock-Up Agreement (the "**June 8-K**"), the June 8-K did not disclose most of the critical facts about the agreement, only a portion of which were disclosed by the subsequent October 8-K. For example, the June 8-K does not mention Nova Scotia Finance's consent to bankruptcy (and contemplated assertion of the Duplicative Claim) or the Swap Liability. Nor does the June 8-K disclose that Old GM was the source of funding for the Promissory Note used to pay the Consent Fee. Thus, the material particulars of the Lock-Up Agreement were not publicly disclosed in a timely manner.

150. Further, to this day, no participant in the Lock-Up Agreement negotiations and related transactions has ever acknowledged to this Court that the "settlement" with the Lock-Up Noteholders left Old GM's estate burdened by a *three-billion-dollar* tab comprised of allowed claims and cash payments.

151. The Lock-Up Defendants' misrepresentations to this Court concerning the Lock-Up Agreement, as well as the Lock-Up Defendants' other inequitable conduct discussed herein both prior to and during this Bankruptcy Case, merit equitable subordination or, in the

alternative, equitable disallowance of the claims held by the Equitable Subordination Defendants.

CLAIMS FOR RELIEF

COUNT I: EQUITABLE SUBORDINATION/EQUITABLE DISALLOWANCE

152. Plaintiff repeats and realleges the allegations in paragraphs 1 through 151 as if fully set forth herein.

153. The Lock-Up Defendants in this case engaged in and benefited from inequitable conduct that resulted in injury to Old GM's creditors and conferred an unfair benefit upon the Lock-Up Noteholders. The Equitable Subordination Defendants either acquired their claims, directly or indirectly, from the Lock-Up Noteholders or are Lock-Up Defendants. Such claims, therefore, should be equitably subordinated under section 510 of the Bankruptcy Code to the claims of other general unsecured creditors, or in the alternative, should be equitably disallowed.

154. The Lock-Up Noteholders' conduct was inequitable because, in connection with the Nova Scotia Action, the Lock-Up Noteholders prosecuted a baseless lawsuit and threatened to force GM Canada into bankruptcy. The Lock-Up Noteholders were aware of the underlying transactions that formed the basis of their claims well in advance of the filing of this action; however, they chose to wait until March 2009, when they knew that Old GM was at its most vulnerable. This lawsuit was designed to extract the maximum benefit for the Lock-Up Noteholders at the expense of Old GM's other creditors and culminated in the Lock-Up Agreement, which resulted in a settlement that paid holders of the Notes as of June 25, 2009 over 35% of the principal amounts due on the Notes as a "Consent Fee" and permitted the Lock-Up Defendants to assert claims *more than three times* the amounts actually due on Old GM's guarantee.

155. Moreover, the Lock-Up Defendants, as participants in this Bankruptcy Case, have a duty of candor to this Court. The Lock-Up Defendants, however, were not forthright with this Court or the Creditors' Committee. The Lock-Up Defendants have falsely told this Court on numerous occasions that the Lock-Up Agreement was well-publicized and entered into pre-petition and therefore, not subject to this Court's scrutiny. Upon information and belief, however, as set forth above, the Lock-Up Agreement was not executed by all necessary parties until after Old GM's bankruptcy petition was filed on June 1, 2009 at 7:57 a.m. and the material transactions necessary to implement the Lock-Up Agreement did not take place until after the bankruptcy petition was filed. The Lock-Up Agreement, which purported to settle all Disputed NS Claims, was therefore, a post-petition settlement for which Bankruptcy Court approval was required under Rule 9019 of the Federal Rules of Bankruptcy Procedure. No such approval was sought or obtained.

156. In addition, upon information and belief, property of Old GM's bankruptcy estate was transferred or utilized post-petition in order to effectuate the Lock-Up Agreement, including: (a) release of the Earmarked Funds from GM Canada's "trust" account to the escrow agent to ultimately pay the Consent Fee and (b) post-petition execution and delivery by Old GM, as the sole shareholder of Nova Scotia Finance, of the necessary consents to the transactions contemplated by the Lock-Up Agreement (including the settlement of the Intercompany Loans). These transfers and out-of-the-ordinary-course uses of estate property were neither authorized by nor disclosed to the Court in violation of sections 363(b) and/or 549 of the Bankruptcy Code.

157. Finally, the Lock-Up Noteholders' actions in completing execution of the Lock-Up Agreement after Old GM's bankruptcy petition was filed and obtaining payments and other benefits thereunder from Old GM after the Petition Date were wrongful attempts to obtain

possession of property of the estate and to collect a pre-petition claim against Old GM, and thus violated section 362 of the Bankruptcy Code.

158. As already explained in detail above, the Lock-Up Defendants' misconduct caused injury to Old GM's creditors and conferred an unfair advantage on the Lock-Up Noteholders.

159. Equitable subordination, or alternatively equitable disallowance, of the Equitable Subordination Defendants' claims is consistent with the Bankruptcy Code and established principles of bankruptcy law.

COUNT II: RECHARACTERIZATION OF CONSENT FEE

160. Plaintiff repeats and realleges the allegations in paragraphs 1 through 159 as if fully set forth herein.

161. The Consent Fee paid in this case was a disguised payment of principal on the Notes, and the Court should, in the exercise of its equitable powers, recharacterize the Consent Fee as a payment of principal and reduce the Defendants' claims accordingly.

162. The Lock-Up Noteholders extracted over $367 million in cash from Old GM as a "Consent Fee" without any Court authorization, let alone adequate disclosure to the Court, Old GM's creditors or other parties-in-interest in the Bankruptcy Cases.

163. Although the Lock-Up Defendants label this payment as a "Consent Fee," this $367 million fee is out of all proportion to the amounts actually due on the Notes, which at the time of payment of the Consent Fee was less than $1 billion. The Consent Fee is thus many times greater than any commercially reasonable consent fee.

164. The Bankruptcy Court, as a court of equity, should look to the substance of the transaction rather than the labels applied to such transaction by the parties. In this case, in substance, the Consent Fee was a payment of the principal amount owed on the Notes.

165. Permitting the Lock-Up Noteholders to retain the Consent Fee and assert claims in full based upon the principal amount of the Notes would be inequitable under the circumstances of this case.

166. Accordingly, the Court should recharacterize the Consent Fee as a payment of principal and the Defendants' claims in this case should be reduced accordingly.

WHEREFORE, Plaintiff prays for relief against Defendants as follows:

(i) On Count I (Equitable Subordination/Equitable Disallowance): an order equitably subordinating the claims of the Equitable Subordination Defendants to the claims of other general unsecured creditors, or in the alternative, equitably disallowing the claims of the Equitable Subordination Defendants;

(ii) On Count II (Recharacterization): an order recharacterizing the Consent Fee as a payment of principal on the Notes and reducing the Defendants' claims accordingly; and

(iii) All such other and further relief as this Court deems necessary and proper.

Dated: New York, New York
January 17, 2012

DICKSTEIN SHAPIRO LLP

/s/ Eric B. Fisher

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Counsel for Motors Liquidation Company GUC Trust

Exhibit A

Equitable Subordination Defendants

Claim No.	Current Holder(s)
66216	Thoroughbred Fund LP; Citigroup Global Markets Inc.; Morgan Stanley & Co. International plc
66217	Palomino Fund LTD; Citigroup Global Markets Inc.; Morgan Stanley & Co. International plc
66265	Aurelius Investment LLC
66266	Elliot International LP
66267	The Liverpool Limited Partnership
66319	Green Hunt Wedlake, Inc., as trustee for General Motors Nova Scotia Finance Company
67428	Drawbridge DSO Securities LLC; Citigroup Global Markets Inc.
67498	Appaloosa Investment Limited Partnership I; Morgan Stanley & Co. International plc; Citigroup Global Markets Inc.
67499	FCOF UB Securities LLC
67500	Drawbridge OSO Securities LLC; Citigroup Global Markets Inc.
67501	Thoroughbred Master LTD; Morgan Stanley & Co. International plc; Citigroup Global Markets Inc.
	John Doe Nos. 1-100
	John Doe, Inc. Nos. 1-100

Exhibit B

Recharacterization Defendants

Claim No.	Current Holder(s)
1556	Collins Stewart (CI) Ltd
1558	Collins Stewart (CI) Ltd
29379	SPH Invest SA
29647	Consilium Treuhand AG & Beata Domus Anstalt
29648	Laminet, Maria-Dorothea
31167	Credit Suisse AG
31168	Credit Suisse AG
31868	Cheviot Asset Management
32887	Ugo, Pera
32888	Rosanna, Garibaldi
37319	Wagner, Ing. Hugo
49548	Knighthead Master Fund, L.P; LMA SPC for and on behalf of the MAP 84 Segregated
60234	Allianz Bank Financial Advisors SPA
60251	Banca Popolare di Vicenza SCPA
60547	Rosa, Rui Manuel Antunes Goncalves
60566	UBS AG, Zurich (Switzerland)
60567	UBS AG, Zurich (Switzerland)
60568	Credito Emiliano SPA
60964	Deutsche Bank SPA
60993	Cassa Centrale Banca-Credito Cooperativo del Nord Est SPA
61481	Aziz, Aly
61520	UniCredit Banca di Roma SPA
61915	Schoeffel, Johanna
63955	Aziz, Sirdar Aly
64298	CSS, LLC
64332	Schmidseder, Josef
64333	Schmidseder, Josef
64340	Dettmar, Hermann & Helene
65554	Pedersen, Claus
65765	HFR RVA Advent Global Opportunity Master Trust
65784	The Advent Global Opportunity Master Fund
65934	Banca di Credito Cooperativo Abruzzese-Cappelle sul Tavo-Societa Coopertiva

66206 (amended by claim no. 70201)	Morgan Stanley & Co. International plc
66216	Thoroughbred Fund LP; Citigroup Global Markets Inc.; Morgan Stanley & Co. International plc
66217	Palomino Fund LTD; Citigroup Global Markets Inc.; Morgan Stanley & Co. International plc
66218	Citigroup Global Markets Inc.; Knighthead Master Fund, L.P.; LMA SPC for and on behalf of the MAP 84 Segregated; CQS Directional Opportunities Master Fund Limited; KIVU Investment Fund Limited
66265	Aurelius Investment LLC
66266	Elliot International LP
66267	The Liverpool Limited Partnership
66312	Citigroup Global Markets Inc.; SG Aurora Master Fund L.P.
66319	Green Hunt Wedlake, Inc., as trustee for General Motors Nova Scotia Finance Company
66448	Intesa Sanpaolo Private Banking SPA
66462	Intesa Sanpaolo SPA
66718	Hutchin Hill Capital C1, Ltd.
66735	UBS AG
66769	Banca delle Marche SPA
67022	JPMorgan Securities Limited
67034	Bank of Valletta PLC
67035	Banca di Credito Cooperativo di Roma Societa Cooperativa
67244	Prospect Mountain Fund Limited
67245	Ore Hill Credit Hub Fund Ltd
67345 (amended by claim no. 70200)	Morgan Stanley & Co. International plc
67428	Drawbridge DSO Securities LLC; Citigroup Global Markets Inc.
67429	Onex Debt Opportunity Fund, LTD
67430	Redwood Master Fund LTD
67498	Appaloosa Investment Limited Partnership I; Morgan Stanley & Co. International plc; Citigroup Global Markets Inc.
67499	FCOF UB Securities LLC
67500	Drawbridge OSO Securities LLC; Citigroup Global Markets Inc.
67501	Thoroughbred Master LTD; Morgan Stanley & Co. International plc; Citigroup Global Markets Inc.
68705	Bhalodia RV/RM/Patel RG
68941	Red River Business Inc.
69306	Citigroup Global Markets Inc.; Canyon Value Realization Fund LP
69307	Citigroup Global Markets Inc.; Lyxor/Canyon Value Realization Fund Limited
69308	Citigroup Global Markets Inc.; Canyon-GRF Master Fund LP

69309	The Canyon Value Realization Fund (Cayman), Ltd; Citigroup Global Markets Inc.
69340	Barclays Bank PLC; SG Aurora Master Fund L.P.
69341	Barclays Bank PLC; Citigroup Global Markets Inc.
69551	Greenberg Traurig, LLP on behalf of all holders of the Notes
69552	Citigroup Global Markets Inc.; LMA SPC for and on behalf of the MAP 84 Segregated; Knighthead Master Fund, L.P.
69734	Anchorage Capital Master Offshore Ltd
70200	Morgan Stanley & Co. International plc; Citigroup Global Markets Inc.
70201	Morgan Stanley & Co. International plc
	John Doe Nos. 1-100
	John Doe, Inc. Nos. 1-100

Exhibit C

AURELIUS – 2015 Notes

Trade Date	Transaction Type	Quantity	Price
03/30/09	Buy	£10,000,000.00	25.000
02/11/09	Buy	£215,000.00	19.250
01/14/09	Buy	£10,000,000.00	21.000
12/18/08	Buy	£10,000,000.00	17.000
12/16/08	Buy	£1,781,000.00	16.750
12/04/08	Buy	£3,250,000.00	19.750

AURELIUS – 2023 Notes

Trade Date	Transaction Type	Quantity	Price
05/12/09	Buy	£10,000,000.00	9.000
05/06/09	Buy	£2,000,000.00	11.500
01/27/09	Buy	£7,700,000.00	19.650
01/13/09	Buy	£6,750,000.00	20.500
01/13/09	Buy	£10,000,000.00	21.750
09/11/08	Buy	£2,750,000.00	51.000
09/02/08	Buy	£2,750,000.00	48.500
08/15/08	Buy	£2,500,000.00	51.500
08/13/08	Buy	£2,000,000.00	51.000
08/11/08	Buy	£2,500,000.00	51.000
07/09/08	Buy	£1,000,000.00	52.500
07/09/08	Buy	£2,500,000.00	53.500
06/27/08	Buy	£2,500,000.00	55.500
06/26/08	Buy	£2,500,000.00	57.750
06/24/08	Buy	£25,500,000.00	60.000

APPALOOSA – 2015 Notes

Trade Date	Transaction Type	Quantity	Price
06/02/09	Buy	£5,000,000.00	49.500
12/19/08	Buy	£34,502,000.00	16.500
10/17/08	Buy	£25,000,000.00	23.000

APPALOOSA – 2023 Notes

Trade Date	Transaction Type	Quantity	Price
06/02/09	Buy	£3,290,000.00	50.000
12/19/08	Buy	£82,000,000.00	15.000
12/12/08	Buy	£5,000,000.00	9.875
10/16/08	Buy	£10,000,000.00	20.750

ELLIOTT – 2015 Notes

Trade Date	Transaction Type	Quantity	Price
03/03/09	Buy	£2,000,000.00	21.500
11/18/08	Buy	£15,000,000.00	20.500
09/24/08	Buy	£50,000,000.00	43.000

ELLIOTT – 2023 Notes

Trade Date	Transaction Type	Quantity	Price
03/03/09	Buy	£4,000,000.00	21.000

FORTRESS – 2015 Notes

Trade Date	Transaction Type	Quantity	Price
06/05/09	Buy	£400,000.00	45.000
06/05/09	Buy	£200,000.00	45.000
06/03/09	Buy	£4,667,000.00	49.500
06/03/09	Buy	£2,333,000.00	49.500
05/07/09	Buy	£2,000,000.00	14.500
11/18/08	Buy	£7,500,000.00	20.500
11/18/08	Buy	£17,500,000.00	20.500
10/17/08	Buy	£5,000,000.00	23.000
09/22/08	Buy	£50,000,000.00	44.500
09/12/08	Buy	£2,000,000.00	55.000
09/04/08	Buy	£50,000,000.00	53.000

FORTRESS – 2023 Notes

Trade Date	Transaction Type	Quantity	Price
06/02/09	Buy	£3,333,000.00	51.250
06/02/09	Buy	£667,000.00	51.000
06/02/09	Buy	£6,667,000.00	51.250
06/02/09	Buy	£1,333,000.00	51.000
05/06/09	Buy	£5,500,000.00	11.500
07/09/08	Buy	£4,900,000.00	52.500
07/01/08	Buy	£5,000,000.00	55.250
06/16/08	Buy	£25,000,000.00	62.500
04/02/08	Buy	£20,000,000.00	66.500
04/01/08	Buy	£20,000,000.00	66.500
04/21/06	Buy	£5,000,000.00	72.250
04/21/06	Buy	£5,000,000.00	72.375
04/19/06	Buy	£3,000,000.00	71.750

EXHIBIT G

FISCAL AND PAYING AGENCY AGREEMENT

among

General Motors Nova Scotia Finance Company,

General Motors Corporation,

and

Deutsche Bank Luxembourg S.A.

and

Banque Générale du Luxembourg S.A.

Dated as of July 10, 2003

FISCAL AND PAYING AGENCY AGREEMENT

THIS FISCAL AND PAYING AGENCY AGREEMENT is made the 10th day of July 2003, among:

(1) General Motors Nova Scotia Finance Company of 1908 Colonel Sam Drive, Oshawa, Ontario L1H 8P7, Canada (the "**Company**");

(2) General Motors Corporation of 300 Renaissance Center, Detroit, Michigan 48265-3000 (the "**Guarantor**");

(3) Deutsche Bank Luxembourg S.A. (the "**Fiscal Agent**") of 2 Boulevard Konrad Adenauer, L-1115 Luxembourg (which expression shall include any successor fiscal agent appointed in accordance with Clause 18); and

(4) Banque Générale du Luxembourg S.A. of 50 Avenue J.F. Kennedy, L-2951 Luxembourg (together with the Fiscal Agent, the "**Paying Agents**," which expression shall include any additional or successor Paying Agent appointed in accordance with Clause 20).

IT IS HEREBY AGREED as follows:

1. Definitions and Interpretation

(a) In this Agreement, unless there is something in the subject or context inconsistent therewith the expressions used herein shall have the same meanings as in the Subscription Agreement.

(b) The following expressions shall have the following meanings:

"**Month**" means calendar month;

"**Noteholder**" means the person in whose name a Note is registered in the Note Register (and the expressions "**Noteholders**," "**holder of Notes**" and related expressions shall be construed accordingly);

"**outstanding**" means in relation to the Notes, all the Notes issued other than (i) those which have been redeemed in full in accordance with the Conditions, (ii) those in respect of which the date for redemption in accordance with the Conditions has occurred and the redemption moneys therefor (including all interest accrued thereon to the date for such redemption) have been duly paid to the Fiscal Agent as provided in this Agreement (and, where appropriate, notice has been given to the Noteholders in accordance with Condition 13) and remain available for payment upon surrender of Notes, (iii) those which have been purchased and cancelled as provided in Condition 6, (iv) those mutilated or defaced Notes which have been surrendered in exchange for replacement Notes

pursuant to Condition 14, (v) (for the purpose only of determining how many Notes are outstanding and without prejudice to their status for any other purpose) those Notes alleged to have been lost, stolen or destroyed and in respect of which replacement Notes have been issued pursuant to Condition 14, (vi) Global Notes to the extent that they shall have been duly exchanged for Definitive Notes and Definitive Notes to the extent that they shall have been duly exchanged for other Definitive Notes in accordance with this Agreement and (vii) Global Notes which have become void in accordance with their terms and, provided that for the purpose of the right to attend and vote at any meeting of the Noteholders or any of them, those Notes (if any) which are for the time being held by any person (including but not limited to the Company or any Subsidiary of the Company) for the benefit of the Company or any Subsidiary of the Company shall (unless and until ceasing to be so held) be deemed not to remain outstanding;

"**repay**" shall include "**redeem**" and vice versa and "**repaid**," "**repayable**" and "**repayment**" and "**redeemed**," "**redeemable**" and "**redemption**" shall be construed accordingly; and

"**Subscription Agreement**" means the Subscription Agreement dated July 9, 2003 among the Company, the Guarantor and the Managers concerning the purchase of the Notes.

"**United States Person**" has the meaning given to it by the United States Internal Revenue Code of 1986, as amended, and the regulations thereunder.

(c) All references in this Agreement to principal and/or interest or both in respect of the Notes or to any moneys payable by the Company under this Agreement shall be deemed to include (a) a reference to any Additional Amounts which may be payable under Condition 7 and (b) any other amounts which may be payable in respect of the Notes.

(d) Expressions defined in the Conditions shall have the same meanings herein unless otherwise stated.

2. Appointment of Fiscal Agent and other Paying Agents

(a) The Fiscal Agent is hereby appointed as agent of the Company, upon the terms and subject to the conditions set out below, for the purposes of:

(i) completing, authenticating and issuing Notes;

(ii) paying sums due on Global Notes and Definitive Notes;

(iii) arranging on behalf of the Company for notices to be communicated to the Noteholders in accordance with the Conditions;

(iv) determining the date of completion of distribution of the Notes represented by each Global Note, based upon notification from the Managers and notifying such determination to the Company, the Managers and Euroclear and Clearstream;

(v) ensuring that all necessary action is taken to comply with applicable periodic reporting requirements with respect to the Notes; and

(vi) otherwise fulfilling its duties and obligations as set forth in the Conditions and in this Agreement.

(b) Each Paying Agent is hereby appointed by the Company and the Guarantor as Paying Agent of the Company and the Guarantor, upon the terms and subject to the conditions set out herein, for the purposes of paying sums due on Notes.

3. Issue of Global Notes

(a) Upon the execution and delivery of this Agreement, 2015 Notes in an aggregate principal amount not in excess of £350,000,000 and 2023 Notes in an aggregate principal amount not in excess of £250,000,000 may be executed by the Company and delivered to the Fiscal Agent for authentication, and the Fiscal Agent shall thereupon authenticate and deliver such Notes upon the written order of the Company, signed by any authorized officer of the Company without any further action by the Company. Until a Note has been authenticated it shall have no effect. The Notes shall include the terms and conditions included as Schedule 1 hereto and, if applicable, Schedule 2 hereto.

(b) The Notes initially will be issued in the form of one or more Global Notes in registered form without coupons substantially in the form set forth in Schedule 3 Part I, hereto. The Global Notes shall be signed on behalf of the Company by any authorized officer. The Global Notes shall be authenticated by the Fiscal Agent upon the same conditions, in substantially the same manner and with the same effect as the Definitive Notes. The Fiscal Agent will, upon the order of the Company, deposit the Global Notes with BT Globenet Nominees Limited, as the common depositary (the "**Common Depositary**") for Euroclear Bank S.A./N.V., as operator of the Euroclear System ("**Euroclear**"), and Clearstream Banking, société anonyme ("**Clearstream**"). The aggregate principal amount of Global Notes may from time to time be decreased by

adjustments made on the records of the Fiscal Agent, as custodian for the Common Depositary or its nominee, as hereinafter provided.

4. Issue of Definitive Notes

Upon the occurrence of any event which, pursuant to the Terms and Conditions of the Global Notes, requires the issuance of one or more Definitive Note(s), the Global Notes shall be surrendered to or to the order of the Fiscal Agent against delivery of Definitive Notes. The Definitive Notes shall be in denominations of £1,000, £10,000 or £100,000 and in integral multiples of £1,000, printed in accordance with any applicable legal and stock exchange requirements and in or substantially in the form set out in this Agreement.

5. Registration, Transfer and Exchange

The Notes are issuable only in registered form. The Company will cause to be kept at the office or agency to be maintained for the purpose as provided in Clause 6 (the "**Registrar**"), a register (the "**Note Register**") in which, subject to such reasonable regulations as it may prescribe, it or its agent will register, and will register the transfer of, Notes as provided in this Clause. For the avoidance of doubt, the Notes registered will include Global Notes and Definitive Notes, to the extent Global Notes have been duly exchanged for Definitive Notes. The name and address of the registered holder of each Note and the principal amount of each Note will be recorded in the Note Register. Such Note Register shall be in written form in the English language or in any other form capable of being converted into such form within a reasonable time. Such Note Register shall be open for inspection by the Fiscal Agent during Business Days.

A Noteholder may register the transfer of a Note only by written application to the Registrar and/or the office of the transfer agent referred to in the last sentence of Clause 6 stating the name and address of the proposed transferee and otherwise complying with the terms of this Agreement. No such registration of transfer shall be deemed effected until, and such transferee shall succeed to the rights of a Noteholder only upon, final acceptance and registration of the transfer by the Registrar in the Note Register. Prior to the final acceptance and registration of any transfer by a Noteholder as provided herein, the Company, the Guarantor, the Fiscal Agent and any agent of any of them shall be entitled to treat the person in whose name the Note is registered as the owner thereof for all purposes, whether or not the Note shall be overdue, and none of the Company, the Guarantor, the Fiscal Agent, or any such agent shall be affected by notice to the contrary. Furthermore, any Noteholder of a Global Note shall, by acceptance of such Global Note, agree that transfers of beneficial interests in such Global Note may be effected only through a book entry system maintained by the Noteholder of such Global Note (or its agent) and that ownership of a beneficial interest in the Global Note shall be required to be reflected in a book entry. At the option of the Noteholder, Notes may be exchanged for other Notes of any authorized denomination and of a like aggregate principal amount, upon surrender of the

Notes to be exchanged to the Registrar, accompanied by written instructions to such effect acceptable to the Registrar. When Notes are presented to the Registrar with a request to register the transfer or to exchange them for an equal principal amount of Notes of other authorized denominations, the Registrar shall register the transfer or make the exchange as requested if the requirements for such transactions set forth herein are met. To permit registrations of transfers and exchanges, the Company shall execute and the Fiscal Agent shall authenticate Notes at the Registrar's request.

Upon any exchange of an interest in a Global Note for an interest in a Definitive Note, the Global Note shall be endorsed to reflect the reduction of its principal amount by the aggregate principal amount so exchanged. The Fiscal Agent is hereby authorized on behalf of the Company (i) to endorse or to arrange for the endorsement of the relevant Global Note to reflect the reduction in the principal amount represented thereby by the amount so exchanged, and sign in the relevant space on the relevant Global Note recording such exchange and (ii) in the case of a total exchange, to cancel or arrange for the cancellation of the relevant Global Note.

Every Note presented or surrendered for registration of transfer or for exchange shall (if so required by the Company or the Registrar) be duly endorsed, or be accompanied by a written instrument of transfer duly executed, by the Noteholder thereof or his attorney duly authorized in writing in a form satisfactory to the Company and the Registrar and, in connection with any such issuance of a Definitive Note, accompanied by, if applicable, a certification by the transferee on Internal Revenue Service Form W-8BEN or Form W-8ECI, as applicable, under penalties of perjury that it is not a United States Person, and/or such other certification as may then be required under United States tax laws to evidence the transferee's entitlement to an exemption from United States federal withholding tax. Upon registration of any such issuance of a Definitive Note for which the transferee has not provided such tax certification, the Registrar shall promptly notify the Company of any such issuance and provide such information as the Company shall request so that it may comply with its obligations under Condition 8 and United States tax laws.

No holder of a Definitive Note may require the transfer of a Note to be registered during the period of 15 days ending on the due date for any payment of the Redemption Price of the Notes (as defined in Condition 6).

The Company or the Registrar may require payment from a Noteholder of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any exchange or registration of transfer of Notes. No service charge to any Noteholder shall be made for any such transaction.

All Notes issued upon any transfer or exchange of Notes shall be valid obligations of the Company, evidencing the same debt and entitled to the same

benefits under this Agreement, as the Notes surrendered upon such transfer or exchange.

6. Offices for Payments, Etc.

So long as any of the Notes remain outstanding, the Company will maintain in the City of London or Luxembourg, the following: (a) an office or agency where the Notes may be presented for payment, (b) an office or agency where the Notes may be presented for registration of transfer and for exchange as provided in this Agreement and (c) an office or agency where notices and demands to or upon the Company in respect of the Notes or of this Agreement may be served. The Company will give to the Fiscal Agent written notice of the location of any such office or agency and of any change of location thereof. The Company hereby initially designates the Luxembourg office of the Fiscal Agent as the office or agency for each such purpose. In case the Company shall fail to maintain any such office or agency or shall fail to give such notice of the location or of any change in the location thereof, presentations and demands may be made and notices may be served at the Luxembourg office of the Fiscal Agent. For so long as the Notes are listed on the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require, the Company shall appoint and maintain a paying and transfer agent in Luxembourg, who shall initially be the Paying Agent.

7. Payment

(a) The Company shall, on each date on which any payment in respect of any of the Notes becomes due, transfer to an account specified by the Fiscal Agent such amount in Pounds Sterling as shall be sufficient for the purposes of such payment in funds settled through such payment system as the Fiscal Agent may designate.

(b) The Company shall ensure that no later than two Business Days immediately preceding the date on which any payment is to be made to the Fiscal Agent pursuant to subclause (a) above, the Fiscal Agent shall receive a copy of an irrevocable payment instruction to the bank through which the payment is to be made. For purposes of this Agreement, "**Business Day**" means (a) a day other than a Saturday or Sunday that is not a day on which banks and foreign exchange markets in Toronto, London, New York City and, in the case of a payment of principal, the place where such Note is presented for payment to a Paying Agent are generally authorized or obligated by law or executive order to close and (b) not a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer System ("TARGET") is closed.

(c) Subject to the Fiscal Agent or, as the case may be, the relevant other Paying Agents, being satisfied in its sole discretion that payment will be duly made as provided in subclause (a) above or

otherwise, the Fiscal Agent and each other Paying Agent shall pay or cause to be paid on behalf of the Company the amounts of principal and interest due on the Notes in the manner provided in the Conditions. If any payment provided for in subclause (a) above is made late but otherwise in accordance with the provisions of this Agreement, the Fiscal Agent and each other Paying Agent shall nevertheless make payments in respect of the Notes as aforesaid following receipt by it of such payment from the Company or the Guarantor, as the case may be.

(d) If for any reason the Fiscal Agent considers in its sole discretion (exercised in good faith) that the amounts to be received by the Fiscal Agent pursuant to subclause (a) above will be, or the amounts actually received by it pursuant thereto are, insufficient to satisfy all claims in respect of all payments then falling due on the Notes, neither the Fiscal Agent nor any other Paying Agent shall be obliged to pay any such claims until the Fiscal Agent has received the full amount of all moneys due and payable in respect of such Notes.

(e) Without prejudice to subclauses (c) and (d) above, and without any requirement to do so, if the Fiscal Agent pays any amounts to the Noteholders or to any other Paying Agent at a time when it has not received payment in full in respect of such Notes (the excess of the amounts so paid over the amounts so received being the "**Shortfall**"), the Company shall, in addition to paying amounts due under subclause (a) above, pay to the Fiscal Agent on demand interest at a rate determined by the Fiscal Agent to represent its cost of funding the Shortfall for the relevant period (with proof thereof if requested by the Company) (or the unreimbursed portion thereof) until the receipt in full by the Fiscal Agent of the Shortfall.

(f) The Fiscal Agent shall on demand promptly reimburse each Paying Agent for payments in respect of Notes properly made by such Paying Agent in accordance with this Agreement and the Notes unless the Fiscal Agent shall have notified such Paying Agent prior to the opening of business in the location of the office of such Paying Agent through which payment on the Notes can be made on the due date of payment under such Notes that the Fiscal Agent does not expect to receive sufficient funds to make payment of all amounts falling due in respect of such Notes.

(g) While any Notes are represented by Global Notes, all payments due in respect of such Notes shall be made to, or to the order of, the registered holder of the Global Notes, subject to and in accordance with the provisions of the Global Notes. On the occasion of any such payment of principal, the Paying Agent to which the Global Note was surrendered for the purpose of making such payment, on behalf of the Company, shall cause the relevant Part of Schedule A to the relevant

Global Note to be annotated so as to evidence the amounts and dates of such payments of principal.

If the amount of principal, and/or interest then due for payment is not paid in full (otherwise than by reason of a deduction required by law to be made therefrom), the Paying Agent to which a Global Note is presented for the purpose of making such payment shall make a record of such shortfall on the relevant Part of Schedule A to the relevant Global Note and such record shall, in the absence of manifest error, be prima facie evidence that the payment in question has not to that extent been made.

8. Notice of any Withholding or Deduction

The Notes are subject to United States withholding tax requirements as described in the Offering Circular. If the Company is, in respect of any payment of principal or interest in respect of the Notes, compelled to withhold or deduct any other amount for or on account of taxes, duties, assessments or governmental charges as specifically contemplated under the Conditions, the Company shall give notice thereof to the Fiscal Agent as soon as it becomes aware of the requirement to make such withholding or deduction and shall give to the Fiscal Agent such information as the Fiscal Agent shall require to enable it to comply with such requirement.

9. Duties of the Fiscal Agent in Connection with Redemption of Notes

If the Company decides to redeem all the Notes for the time being outstanding in accordance with the Conditions, it shall give notice of such decision to the Fiscal Agent a reasonable length of time (at least 40 days) before the relevant redemption date to enable the Fiscal Agent to undertake its obligations herein and in the Conditions.

10. Receipt and Publication of Notices

(a) Forthwith upon the receipt by the Fiscal Agent of a demand or notice from any Noteholder in accordance with Condition 9, the Fiscal Agent shall forward a copy thereof to the Company.

(b) On behalf of and at the request and expense of the Company, the Fiscal Agent shall cause to be given in accordance with the Conditions, all notices required to be given by the Company to the Noteholders under the Conditions or this Agreement.

11. Cancellation of Notes

(a) All Notes which are redeemed shall be cancelled by the Paying Agent by which they are paid. Each of the Paying Agents shall give to the Fiscal Agent details of all payments made by it and shall

deliver all cancelled Notes to the Fiscal Agent or as the Fiscal Agent may specify. Where Notes are purchased by or on behalf of the Company, the Company may, at its option, procure that such Notes are promptly surrendered to the Fiscal Agent or its authorized agent for cancellation.

(b) The Fiscal Agent shall (unless required by law or otherwise instructed by the Company in writing and save as provided in Clause 13(a) below) destroy all cancelled Notes and, upon request, furnish the Company with a certificate of destruction containing serial numbers of the Notes so destroyed.

12. Issue of Replacement Notes

(a) The Company and the Fiscal Agent shall cause a sufficient quantity of additional forms of Notes to be available, upon request, to the Registrar at its specified office for the purpose of issuing replacement Notes as provided below.

(b) The Fiscal Agent shall, subject to and in accordance with the Conditions and the following provisions of this Clause 12, cause to be authenticated and delivered any replacement Notes which the Company and the Registrar may determine to issue in place of Notes which have been lost, stolen, mutilated, defaced or destroyed.

(c) The Registrar shall obtain verification, in the case of an allegedly lost, stolen or destroyed Note in respect of which the serial number is known, that such Note has not previously been redeemed or paid. The Registrar shall not issue any replacement Note unless and until the Registrar and the Company agree that the applicant therefor has:

(i) paid such costs as may be incurred in connection therewith;

(ii) furnished it with such evidence and indemnification as the Company and the Registrar may reasonably require; and

(iii) in the case of any mutilated or defaced Note, surrendered it to the Registrar.

(d) The Registrar shall cancel any mutilated or defaced Notes in respect of which replacement Notes have been issued pursuant to this Clause 12. The Registrar shall furnish the Company with a certificate stating the serial numbers of the Notes received by it and cancelled pursuant to this Clause 12 and shall, unless otherwise required by the Company, destroy all such Notes and furnish the Company with a

destruction certificate containing the information specified in Clause 11(b) above.

(e) The Registrar shall, on issuing any replacement Note, forthwith inform the Company, the Fiscal Agent and the Paying Agent of the serial number of such replacement Note issued and (if known) of the serial number of the Note in place of which such replacement Note has been issued.

(f) Whenever any Note for which a replacement Note has been issued and of which the serial number is known is presented to any of the Paying Agents for payment, the relevant Paying Agent shall immediately send notice thereof to the Company, the Fiscal Agent and the Registrar; no payment shall be made on such cancelled Note.

13. Records and Certificates

(a) The Fiscal Agent and the Registrar shall keep a full and complete record of all Notes and of their redemption, purchase, cancellation or payment (as the case may be) and of all replacement Notes issued in substitution for lost, stolen, mutilated, defaced or destroyed Notes. The Fiscal Agent and the Registrar shall at all reasonable times make such records available to the Company.

(b) A certificate stating (i) the aggregate principal amounts of Notes which have been redeemed, (ii) the serial numbers of such Notes, (iii) the serial numbers of those Notes (if any) which have been purchased by or on behalf of the Company or any of its Subsidiaries and cancelled (subject to delivery thereof to the Fiscal Agent) and (iv) the aggregate principal amounts of Notes which have been surrendered and replaced and the serial numbers of such Notes shall be given to the Company by the Registrar and the Fiscal Agent as soon as possible and in any event within three months after the date of such redemption, purchase, payment or replacement (as the case may be).

(c) The Registrar and the Fiscal Agent shall submit (on behalf of the Company) such reports or information as may be required from time to time by applicable law, regulations and guidelines in connection with this Agreement.

(d) The Registrar and the Fiscal Agent shall cooperate with each other with respect to the provisions contained in Clauses 5, 11, 12 and 13 of this Agreement.

14. Copies of this Agreement Available for Inspection

The Fiscal Agent and the Paying Agents shall hold copies of this Agreement available for inspection by Noteholders. For this purpose, the Company shall furnish the Fiscal Agent and the Paying Agents with sufficient copies of this Agreement.

15. Fees and Expenses

(a) The Fiscal Agent shall be entitled to the compensation to be agreed upon with the Company for all services rendered by it, and the Company agrees to pay such compensation promptly and to reimburse the Fiscal Agent and the Paying Agents for reasonable out of pocket expenses (including reasonable fees and expenses of counsel pursuant to Clause 18(b) below) reasonably incurred by either of them in connection with the services rendered by them hereunder.

(b) The Company shall pay to the Fiscal Agent such fees in respect of the services of the Paying Agents under this Agreement as shall be agreed between the Company and the Fiscal Agent. The Company shall not be concerned with, or be liable to any individual Paying Agent with respect to, the apportionment of payment among the Paying Agents.

(c) In respect of the said fees the Company shall also pay to the Fiscal Agent such sum as is appropriate in respect of value added tax together with all reasonable expenses (including, inter alia, postage expenses) reasonably incurred by the Paying Agents in connection with their said services.

(d) The fees under subclause (b) above shall be paid in U.S. dollars. The Fiscal Agent shall arrange for payment of the fees due to the Paying Agents and arrange for the reimbursement of their expenses promptly after receipt of the relevant moneys from the Company.

(e) At the request of the Fiscal Agent, the Company or the Guarantor, the parties hereto may from time to time during the continuance of this Agreement review the fees agreed initially pursuant to subclause (b) above with a view to determining whether the parties hereto can mutually agree upon changes therein.

16. Indemnification

(a) The Company shall indemnify and keep indemnified each of the Paying Agents and the Fiscal Agent against any losses, liabilities, costs, claims (or actions in respect thereof) and reasonable expenses (including reasonable legal fees) which it may incur or which may be made against it as a result of or in connection with its appointment or the exercise of its powers and duties under this Agreement except such as may result from its own willful default, negligence or bad faith or that of its

officers or employees or any of them, or breach by it of the terms of this Agreement. The obligations of the Company under this Clause (a) shall survive the payment of the Notes and the resignation or removal of the Fiscal Agent or any Paying Agent, as the case may be.

(b) Each of the Paying Agents and the Fiscal Agent shall severally indemnify the Company and the Guarantor against any losses, liabilities, costs, claims (or actions in respect thereof) and reasonable expenses (including reasonable legal fees) which the Company or the Guarantor may incur or which may be made against the Company or the Guarantor as a result of the willful default, negligence or bad faith of that Paying Agent or Fiscal Agent or that of its officers or employees or any of them, or breach by it of the terms of this Agreement.

17. Repayment by Fiscal Agent

Any monies paid by the Company or the Guarantor to the Fiscal Agent or any Paying Agent for payment in respect of any of the Notes and remaining unclaimed for two years after the date on which such amounts shall have become due and payable shall then be repaid to the Company or the Guarantor (as applicable) and, upon such payment, all liability of the Fiscal Agent or any Paying Agent with respect to such monies shall cease, without, however, relieving the Company or the Guarantor (as applicable) of the obligation to pay the amounts in respect of any such Note upon the due subsequent presentation thereof to the Company at its registered office.

18. Conditions of Appointment

The Fiscal Agent and each of the Paying Agents accept their obligations set forth herein and in the Notes upon the terms and conditions hereof and thereof, including the following, to all of which the Company agree and to all of which the rights of the holders from time to time of the Notes shall be subject:

(a) In acting under this Agreement and in connection with the Notes, the Fiscal Agent and the Paying Agents are acting solely as agents of the Company and the Guarantor and do not assume any obligation towards or relationship of agency or trust for or with any of the beneficial owners or holders of the Notes except that all funds held by the Paying Agents for a payment in respect of the Notes shall be held in trust by them and applied as set forth herein and in such Notes, but need not be segregated from other funds held by them, except as required by law; provided that monies paid by the Company or the Guarantor to the Paying Agents for payment in respect of any of the Notes and remaining unclaimed for two years after the date on which such payment shall have become due and payable shall be repaid to the Company or the Guarantor (as applicable) as provided and in the manner set forth in Clause 17 hereof, whereupon the aforesaid trust shall terminate and liability of the

Paying Agents to the Company and the Guarantor with respect to such monies shall cease.

(b) Each of the Fiscal Agent and the Paying Agents may consult at its own expense (unless the Company has agreed in writing as to the need for such consultation and as to the counsel to be consulted) with counsel satisfactory to it (who may be an employee of or legal advisor to the Company) in its reasonable judgment and any advice or written opinion of such counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted to be taken by any of them hereunder in good faith and in accordance with such advice or opinion.

(c) The Fiscal Agent and the Paying Agents shall be protected and shall incur no liability for or in respect of any action taken or omitted to be taken or being suffered by it in reliance upon any Note, instrument of transfer, notice, direction, consent, certificate, affidavit, statement or other paper or document reasonably believed by it to be genuine and to have been presented or signed by the proper party or parties.

(d) Each of the Paying Agents or any agent of the Company or the Guarantor or of the Paying Agent, in its individual capacity or any other capacity, may become the owner of, or acquire any interest in, any Notes or other obligations of the Company or the Guarantor with the same rights that it would have if it were not a Paying Agent or any agent of the Company or the Guarantor or of the Paying Agent, and each Paying Agent may engage or be interested in any financial or other transaction with the Company or the Guarantor, and may act on, or as depositary, trustee or Manager for, any committee or body of holders of Notes or other obligations of the Company or the Guarantor, as freely as if it were not a Paying Agent or any agent of the Company or the Guarantor or of the Paying Agent; provided that such Paying Agent or agent thereof provides, if applicable, the appropriate United States tax certifications to the Registrar in connection with any acquisition of the Notes.

(e) None of the Fiscal Agent or the Paying Agents shall be under any liability for interest on any monies received by it pursuant to any of the provisions of this Agreement or the Notes except as otherwise agreed with the Company and the Guarantor in writing.

(f) The recitals contained in this Agreement and in the Notes (except in the Fiscal Agent's certificate of authentication) shall be taken as the statements of the Company, and neither the Fiscal Agent nor any Paying Agent assumes any responsibility for the correctness of the same. Neither the Fiscal Agent nor any Paying Agent makes any representation as to the validity or sufficiency of this Agreement or the Notes, except for their due authorization to execute and perform their obligations under this

Agreement. Neither the Fiscal Agent nor any Paying Agent shall be accountable for the use or application by the Company of any of the Notes or by the Company of the proceeds of any Notes.

(g) The Fiscal Agent and the Paying Agents shall be obligated to perform such duties and only such duties as are herein and in the Notes specifically set forth, and no implied duties or obligations shall be read into this Agreement or the Conditions against the Fiscal Agent or any Paying Agent. Neither the Fiscal Agent nor any Paying Agent shall be under any obligation to take any action hereunder which may tend to involve it in any expense or liability, the payment of which within a reasonable time is not, in its reasonable opinion, assured to it.

(h) The Company shall notify the Fiscal Agent and each other Paying Agent immediately in writing if any of the persons authorized to take action on behalf of the Company in connection with this Agreement ceases to be so authorized or if any additional person becomes so authorized together, in the case of an additional authorized person, with evidence satisfactory to the Fiscal Agent that such person has been so authorized.

(i) No Paying Agent shall exercise any right of set off or lien against the Company, the Guarantor or any Noteholders in respect of any monies payable to or by it under the terms of this Agreement.

(j) Each of the Company, the Fiscal Agent, the Guarantor and the Paying Agents agree that this Agreement will, subject to the other provisions herein, continue in full force and effect for so long as any of the Notes are outstanding.

19. Communications with Paying Agents

A copy of all communications relating to the subject matter of this Agreement between the Company and any of the Paying Agents other than the Fiscal Agent shall be sent to the Fiscal Agent.

20. Termination of Appointment

(a) The Company may terminate the appointment of the Fiscal Agent or any Paying Agent at any time and/or appoint additional or other Paying Agents by giving to the Fiscal Agent or the Paying Agent whose appointment is concerned and, in the case of any Paying Agent other than the Fiscal Agent, the Fiscal Agent at least 60 days' prior written notice to that effect, provided that, so long as any of the Notes are outstanding, (i) such notice shall not expire less than 30 days before any due date for the payment of any Note and (ii) notice shall be given in accordance with the

Conditions at least 30 days prior to any removal or appointment of the Fiscal Agent or any Paying Agent.

(b) Notwithstanding the provisions of subclause (a) above, if at any time the Fiscal Agent or any Paying Agent becomes incapable of acting, or is adjudged bankrupt or insolvent, or files a voluntary petition in bankruptcy or makes an assignment for the benefit of its creditors or consents to the appointment of an administrator, liquidator or administrative or other receiver of all or any substantial part of its property, or if an administrator, liquidator or administrative or other receiver of it or of all or a substantial part of its property is appointed, or it admits in writing its inability to pay or meet its debts as they may mature or suspends payment thereof, or if any order of any court is entered approving any petition filed by or against it under the provisions of any applicable bankruptcy or insolvency law or if any public officer takes charge or control of such Fiscal Agent or Paying Agent or of its property or affairs for the purpose of rehabilitation, administration or liquidation, the Company may forthwith without notice terminate the appointment of such Fiscal Agent or Paying Agent, as the case may be, in which event notice thereof shall be given to the Noteholders in accordance with the Conditions as soon as practicable thereafter.

(c) The termination of the appointment of the Fiscal Agent or any Paying Agent hereunder shall not entitle such Fiscal Agent or Paying Agent to any amount by way of compensation but shall be without prejudice to any amount then accrued due.

(d) The Fiscal Agent or all or any of the Paying Agents may resign their respective appointments hereunder at any time by giving to the Company and (except in the case of resignation of the Fiscal Agent) the Fiscal Agent at least 60 days' prior written notice to that effect. Following receipt of a notice of resignation from the Fiscal Agent or any Paying Agent, the Company shall promptly, but no later than 10 days prior to the expiration of any resignation of the Fiscal or Paying Agent, give notice thereof to the Noteholders in accordance with the Conditions. The Fiscal Agent and Paying Agent may appoint a replacement Fiscal Agent on behalf of the Company, if the Company has not already done so.

(e) Notwithstanding the provisions of subclauses (a), (b), (c) and (d) above, so long as any of the Notes are outstanding, the termination of the appointment of any Paying Agent (whether by the Company or by the resignation of such Paying Agent) shall not be effective unless upon the expiry of the relevant notice there is (i) a Fiscal Agent and (ii) at least one Paying Agent with a specified office in a European city which, so long as the Notes are listed on the Luxembourg Stock Exchange, shall be Luxembourg or such other place as may be approved by the Luxembourg Stock Exchange.

(f) Any successor Fiscal Agent or Paying Agent appointed hereunder shall execute and deliver to its predecessor, the Company, the Guarantor and (unless its predecessor is the Fiscal Agent) the Fiscal Agent, an instrument accepting such appointment hereunder, and thereupon such successor Fiscal Agent or Paying Agent, without any further act, deed or conveyance, shall become vested with all the authority, rights, powers, trusts, immunities, duties and obligations of such predecessor with like effect as if originally named as Fiscal Agent or a Paying Agent under this Agreement.

(g) If the appointment of the Fiscal Agent or any Paying Agent hereunder is terminated (whether by the Company or by the resignation of such Fiscal Agent or Paying Agent), such Fiscal Agent or Paying Agent shall on the date on which such termination takes effect deliver to the Fiscal Agent or the successor Fiscal Agent all Notes surrendered to it but not yet destroyed and shall deliver to such successor Paying Agent (or if none, the Fiscal Agent) all records concerning the Notes maintained by it (except such documents and records as it is obliged by law or regulation to retain or not to release) and pay to its successor Fiscal Agent or Paying Agent (or, if none, to the Fiscal Agent) the amounts held by it in respect of Notes which have become due and payable but which have not been paid, but shall have no other duties or responsibilities under this Agreement.

(h) If the Fiscal Agent or any of the Paying Agent changes its specified office, it shall give to the Company and the Fiscal Agent (if applicable), not less than 45 days' written notice to that effect giving the address of the new specified office. As soon as practicable thereafter and in any event at least 30 days prior to such change, the Fiscal Agent shall give to the Noteholders notice of such change and the address of the new specified office in accordance with the Conditions. The Company reserves the right to approve any change in the specified office of any Paying Agent.

(i) Any corporation into which the Fiscal Agent or any Paying Agent for the time being may be merged or converted or any corporation with which such Fiscal Agent or Paying Agent may be consolidated or any corporation resulting from any merger, conversion or consolidation to which such Fiscal Agent or Paying Agent shall be a party shall, to the extent permitted by applicable law (including United States federal income tax laws), be the successor Fiscal Agent or Paying Agent under this Agreement without the execution or filing of any paper or any further act on the part of any of the parties hereto. Notice of any such merger, conversion or consolidation shall forthwith be given to the Company and the Noteholders in accordance with the Conditions and, where appropriate, the Fiscal Agent.

21. Meetings of Noteholders

(a) The provisions of Schedule 4 hereto shall apply to meetings of the Noteholders and shall have effect in the same manner as if set out in this Agreement.

(b) Without prejudice to subclause (a) above, each of the Paying Agents shall, on the request of any Noteholder, issue voting certificates and block voting instructions together, if so required by the Company, with reasonable proof satisfactory to the Company of due execution thereof on behalf of such Paying Agent in accordance with the provisions of Schedule 4 hereto and shall forthwith give notice to the Company in accordance with the said Schedule 4 of any revocation or amendment of a voting certificate or block voting instruction. Each Paying Agent shall keep a full and complete record of all voting certificates and block voting instructions issued by it and shall not later than 24 hours before the time appointed for holding any meeting or adjourned meeting deposit, at such place as the Fiscal Agent shall designate or approve, full particulars of all voting certificates and block voting instructions issued by it in respect of such meeting or adjourned meeting.

22. Communications

All communications shall be by facsimile or letter delivered by hand or (but only where specifically provided in the Appendix hereto) by telephone. Each communication shall be made to the relevant party at the facsimile number or address or telephone number and, in the case of a communication by facsimile or letter, marked for the attention of, or (in the case of a communication by telephone) made to, the person(s) from time to time specified in writing by that party to the other for the purpose. The initial telephone number, facsimile number and address of, and person(s) so specified by, each party are set out on the signature pages of this Agreement.

A communication shall be deemed received, (if by facsimile) when an acknowledgment of receipt is received, (if by telephone) when made or (if by letter) when delivered, in each case in the manner required by this Clause 22 provided, however, that if a communication is received after business hours it shall be deemed to be received and become effective on the next Business Day. Every communication shall be irrevocable save in respect of any manifest error therein.

23. Taxes

The Company will pay all stamp or other documentary taxes or duties, if any, to which the execution or delivery of this Agreement or the original issuance of the Notes may be subject as a result of compliance with the terms of the Subscription Agreement.

24. Descriptive Headings

The descriptive headings in this Agreement are for convenience of reference only and shall not define or limit the provisions hereof.

25. Amendments

This Agreement and the Notes may be amended by the Company, the Guarantor and the Fiscal Agent, without the consent of the Noteholders so as to modify any of the provisions of this Agreement which are of a formal, minor or technical nature in the opinion of the Company and the Guarantor or to add any covenant, restriction, condition or provision as the Company and the Guarantor shall consider to be for the protection of the Noteholders or is made for the purpose of curing any ambiguity, or correcting or supplementing any provision contained herein or therein which may be defective or inconsistent with any other provision contained herein or therein, or to make such other provisions in regard to matters or questions arising under this Agreement as shall not adversely affect the interests of the holders of the Notes. Any such modification shall be binding on the Noteholders, and if the Fiscal Agent so requires, shall be notified to the Noteholders as soon as practicable thereafter in accordance with Condition 13.

26. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of New York, United States of America, without giving effect to the principles of conflicts of law. Each party to this Agreement irrevocably agrees that any legal action or proceeding against it arising out of or in connection with this Agreement or for recognition or enforcement of any judgment rendered against it in connection with this Agreement may be brought in any Federal or New York State court sitting in the Borough of Manhattan, and, by execution and delivery of this Agreement, such party thereby irrevocably accepts and submits to the jurisdiction of each of the aforesaid courts in person, generally and unconditionally with respect to any such action or proceeding for itself and in respect of its property, assets and revenues. Each party hereby also irrevocably waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of venue of any such action or proceeding brought in any such court and any claim that any such action or proceeding has been brought in an inconvenient forum. Nothing contained in this Clause 26 shall limit any right to bring any legal action or proceeding in any other court of competent jurisdiction. Each of the Company and the Guarantor hereby appoints the Guarantor's New York office as its agent for the service of process in New York.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first above written.

GENERAL MOTORS NOVA SCOTIA FINANCE COMPANY

By:
Name: A. LIM
Title: ASST. SECRETARY

GENERAL MOTORS CORPORATION

By:
Name:
Title:

DEUTSCHE BANK LUXEMBOURG S.A.

By:
Name:
Title:

BANQUE GÉNÉRALE DU LUXEMBOURG S.A.

By:
Name:
Title:

[GM Nova Scotia Fiscal and Paying Agency Agreement Signature Page]

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first above written.

GENERAL MOTORS NOVA SCOTIA FINANCE COMPANY

By:
Name:
Title:

GENERAL MOTORS CORPORATION

By: SKhattri
Name: Sanjiv Khattri
Title: Assistant Treasurer

DEUTSCHE BANK LUXEMBOURG S.A.

By:
Name:
Title:

BANQUE GÉNÉRALE DU LUXEMBOURG S.A.

By:
Name:
Title:

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first above written.

GENERAL MOTORS NOVA SCOTIA FINANCE COMPANY

By:
Name:
Title:

GENERAL MOTORS CORPORATION

By:
Name:
Title:

DEUTSCHE BANK LUXEMBOURG S.A.

By:
Name: C A MORRIS
Title: ATTORNEY

K. TURNER
ATTORNEY

BANQUE GÉNÉRALE DU LUXEMBOURG S.A.

By:
Name:
Title:

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first above written.

GENERAL MOTORS NOVA SCOTIA FINANCE COMPANY

By:
Name:
Title:

GENERAL MOTORS CORPORATION

By:
Name:
Title:

DEUTSCHE BANK LUXEMBOURG S.A.

By:
Name:
Title:

BANQUE GÉNÉRALE DU LUXEMBOURG S.A.

By:
Name:
Title:

Jean-Marie MOES
Head of Back-Offices & Securities Handling

Robert GENOT
Head of Settlements & Custody

[GM Nova Scotia Fiscal and Paying Agency Agreement Signature Page]

SCHEDULE 1

TERMS AND CONDITIONS OF NOTES

The following are the Terms and Conditions of Notes (sometimes referred to herein as the "Terms and Conditions" or "Conditions") of the Company that (subject to completion and amendment) will be attached to or incorporated by reference into each Global Note and which will be attached to or endorsed upon each Definitive Note.

This Note is one of the Notes issued subject to, and with the benefit of, the Fiscal and Paying Agency Agreement (as amended from time to time in accordance with its terms, the "**Fiscal and Paying Agency Agreement**") dated July 10, 2003 and made among General Motors Nova Scotia Finance Company (the "**Company**"), General Motors Corporation (the "**Guarantor**"), Deutsche Bank Luxembourg S.A., as issuing agent and principal Paying Agent (the "**Fiscal Agent**" which expression shall include any successor as fiscal agent) and Banque Générale du Luxembourg S.A., as Paying Agent (together with the Fiscal Agent, the "Paying Agents" which expression shall include any additional or successor Paying Agents).

The holders for the time being of the Notes (the "**Noteholders**") are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Fiscal and Paying Agency Agreement and the Notes, which are binding on them. Words and expressions defined in the Fiscal and Paying Agency Agreement or on the face of this Note shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated. Copies of the Fiscal and Paying Agency Agreement are available from the principal office of the Fiscal Agent and the Paying Agents set out at the end of the Fiscal and Paying Agency Agreement.

1. Form, Denominations and Title

General

Each of the 2015 Notes and the 2023 Notes will be represented by one or more Global Notes in fully registered form (each a "**Global Note**"), which will be deposited on or about July 10, 2003 with a common depositary of Euroclear Bank S.A./N.V., as operator for the Euroclear System ("**Euroclear**") and Clearstream Banking, Société Anonyme ("**Clearstream**") for credit to certain accounts maintained by Euroclear or Clearstream. The Global Notes will be registered in the name of BT Globenet Nominees Limited.

The Company may issue further Notes which shall be consolidated and form a single series with the 2015 Notes and the 2023 Notes (as applicable), provided, however, that such further Notes may be issued only within three years

of the issue date of the original Notes and only if they are fungible with the original Notes for United States federal income tax purposes.

Except in certain limited circumstances, the Notes will not be issued in definitive form. Beneficial ownership in the Global Notes can only be held in the form of book-entry interests through direct or indirect participants in Euroclear or Clearstream. Each person having an ownership or other interest in a Global Note must rely exclusively on the rules or procedures of Euroclear and Clearstream, as applicable, and any agreement with any direct or indirect participant of Euroclear and Clearstream, as the case may be, or any other securities intermediary through which that person holds its interest to effect any transfer or, subject to the Conditions, to receive or direct the delivery of possession of any Definitive Note (as defined below). Notes in definitive form will be issued in denominations of £1,000, £10,000 and £100,000 and in multiples of £1,000.

Issuance of Definitive Notes

So long as a common depositary for Euroclear and Clearstream holds the Global Note with respect to the 2015 Notes or the 2023 Notes (as applicable), such Global Note will not be exchangeable for Notes in definitive form ("**Definitive Notes**") unless (and in such case, as a whole and not in part):

- Euroclear and Clearstream notify the Fiscal Agent that it is unwilling or unable to continue to act as depositary for the Notes and a successor depositary is not appointed within 120 days;

- both Euroclear and Clearstream are closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business;

- the non-payment when due of amounts payable on the Notes (whether, in each case, on account of interest payments, redemption amounts or otherwise) shall have occurred and be continuing for 30 days; or

- at any time the Company determines in its sole discretion that the Global Notes should be exchanged for Definitive Notes in registered form.

Definitive Notes will be issued in registered form only. To the extent permitted by law, the Company, the Guarantor, the Fiscal Agent and any Paying Agent shall be entitled to treat the person in whose name any Definitive Note is registered as its absolute owner.

If Definitive Notes are issued in exchange for a Global Note, the depositary, as holder of the Global Note, will surrender the Global Note, the book entries reflecting the ownership of beneficial interests in the Global Note of direct

and indirect participants in Euroclear and Clearstream will be cancelled, and Definitive Notes will be distributed to the holders of the Notes against receipt from each such holder, if applicable, of a certification on Internal Revenue Service Form W-8BEN or Form W-8ECI, as applicable, under penalty of perjury that it is not a United States Person and/or such other certification as may then be required under the United States tax laws to evidence such holder's entitlement to an exemption from United States federal withholding tax. Upon registration of any such issuance of a Definitive Note for which the holder has not provided such tax certification, the registrar shall promptly notify the Company of any such issuance and provide such information as the Company shall request so that it may comply with its obligations under Condition 8 and United States tax laws.

Transfers of Definitive Notes

The Fiscal Agent will act as registrar for the Company. Definitive Notes may be transferred at the specified office of the registrar. In addition, for so long as the 2015 Notes and the 2023 Notes (as the case may be) are listed on the Luxembourg Stock Exchange and the rules of such exchange so require, transfer may also be made at the offices of the Paying Agent in Luxembourg. No transfer of a Definitive Note shall be deemed effected until, and such transferee shall succeed to the rights of a Noteholder only upon, final acceptance and registration of the transfer by the registrar. Prior to the final acceptance and registration of any transfer, the Company, the Guarantor, the Fiscal Agent and any agent of any of them shall be entitled to treat the person in whose name the Definitive Note is registered as the owner thereof for all purposes, whether or not such Definitive Note is overdue, and none of the Company, the Guarantor, the Fiscal Agent, nor any such agent shall be affected by notice to the contrary. Notes may be exchanged for other Notes of any authorized denomination and of a like aggregate principal amount upon surrender of the Notes to be exchanged to the registrar, accompanied by written instructions to such effect acceptable to the registrar. If any Definitive Notes become mutilated, defaced, destroyed, stolen or lost, such Notes will be replaced in accordance with Condition 14.

Every Definitive Note presented or surrendered for registration of transfer shall (if so required by the Company or the registrar) be duly endorsed, or be accompanied by a written instrument of transfer duly executed, by the Noteholder thereof or his attorney duly authorized in writing in a form satisfactory to the Company and the registrar, and, if applicable, a certification by the transferee on Internal Revenue Service Form W-8BEN or Form W-8ECI, as applicable, under penalty of perjury that it is not a United States Person, and/or such other certification as may then be required under United States tax law to evidence the transferee's entitlement to an exemption from United States federal withholding tax. Upon registration of any such transfer of a Definitive Note for which the transferee has not provided such tax certification, the registrar shall promptly notify the Company of any such transfer and provide such information as the Company shall request so that it may comply with its obligations under Condition 8 and United States tax laws.

The Company or the registrar may require payment from a Noteholder of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any exchange or registration of transfer of Notes. No service charge to any Noteholder shall be made for any such transaction.

No holder of a Definitive Note may require the transfer of a Note to be registered during the period of 15 days ending on the due date for any payment of the redemption price of the Notes.

All transfers of Definitive Notes and entries on the note register will be made subject to the provisions in the Fiscal and Paying Agency Agreement.

2. Status of the Notes

The Notes will be unsecured and unsubordinated obligations of the Company and will rank equally with all other unsecured and unsubordinated indebtedness of the Company, save for those preferred by mandatory provisions of law. The Guarantees endorsed on the Notes will be unsecured obligations of the Guarantor and will rank equally with all other unsecured and unsubordinated indebtedness of the Guarantor, save for those preferred by mandatory provisions of law.

The Fiscal and Paying Agency Agreement, the Notes and the Guarantees endorsed on the Notes do not limit other indebtedness or securities which may be issued by the Company or the Guarantor and contain no financial or similar restrictions on the Company or the Guarantor.

3. Interest

The 2015 Notes will bear interest from and including July 10, 2003 to but excluding December 7, 2015 at a rate of 8.375 percent per annum, payable annually in arrears on December 7 in each year the 2015 Notes are outstanding. The first payment shall be payable on December 7, 2003.

The 2023 Notes will bear interest from and including July 10, 2003 to but excluding July 10, 2023 at a rate of 8.875 percent per annum, payable annually in arrears on July 10 in each year the 2023 Notes are outstanding. The first payment shall be payable on July 10, 2004.

Interest will cease to accrue on the Notes on the applicable Maturity Date (as defined below) or on the due date for redemption thereof unless, upon due presentation thereof, payment of principal is improperly withheld or refused, in which event interest will continue to accrue (both before and after judgment) until whichever is the earlier of (i) the day on which all the sums due in respect of the 2015 Notes and the 2023 Notes, as the case may be, up to that day are received by or on behalf of the holders of the 2015 Notes and the 2023 Notes, as the case may be, and (ii) the day on which the Fiscal Agent has notified the holder thereof (in

accordance with Condition 13) of its receipt of all sums due in respect thereof up to that date and that, upon presentation thereof being duly made by the holder of Notes, payment will be made, provided that upon presentation thereof being duly made, payment is in fact made.

When interest is required to be calculated in respect of a period of less than a full year, it shall be calculated on the basis of the actual number of days elapsed since the date of issuance of the Notes, or if more recent, the last interest payment date divided by 365 (of if any portion of this period falls in a leap year, the sum of (A) the actual number of days in that portion of the period falling in a leap year divided by 366 and (B) the actual number of days in the portion of the period falling in a non-leap year by 365).

4. Payments

Payments of interest (which term includes any Additional Amounts, as defined herein, unless the context otherwise requires) in respect of the Notes shall be made in Pounds Sterling on the applicable interest payment dates set forth above to the holder in whose name the Note is registered at the close of business on the November 22, with respect to the 2015 Notes, and the June 25, with respect to the 2023 Notes, preceding such interest payment date, to the address of such holder as such address shall appear on the note register for the Notes. The common depositary or its nominee shall be the registered holder in the case of Notes evidenced by Global Notes. Payments made to the common depositary shall be made by wire transfer, and Euroclear or Clearstream, as applicable, will credit the relevant accounts of their participants on the applicable payment dates. Payments in respect of Notes not evidenced by Global Notes shall be made by wire transfer, direct deposit or check mailed to the address of the holder entitled thereto as such address shall appear on the register.

Principal of the Notes will be payable in Pounds Sterling at maturity against surrender of such Notes at the office of the Paying Agent or such paying agencies as the Company may appoint from time to time, subject to all applicable laws and regulations. Payments of principal will be made, at the option of the holder, by check or wire transfer. Payments made to the common depositary with respect to the Global Notes will be credited to the relevant accounts of the participants, pursuant to the relevant Euroclear or Clearstream procedures.

If the date for payment of any amount in respect of any Note is not a Business Day in the relevant place, the holder thereof shall not be entitled to payment until the next following Business Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, "**Business Day**" means (a) a day other than a Saturday or Sunday that is not a day on which banks and foreign exchange markets in Toronto, London, New York City and, in the case of a payment of principal, the place where such Note is presented for payment to a Paying Agent are generally authorized or obligated by law or executive order to close and (b) not a day on which the Trans-European

Automated Real-Time Gross Settlement Express Transfer ("TARGET") System is closed.

The Company may at any time terminate the appointment of any Paying Agent and appoint additional or other Paying Agents, provided that, until all outstanding Notes have been cancelled and delivered to the Fiscal Agent, or monies sufficient to pay the principal of and interest on all outstanding Notes have been made available for payment and either paid or returned to the Company or the Guarantor, as the case may be, as provided in the Notes, the Company will maintain a Paying Agent in a European city for payments on Notes (which will be Luxembourg so long as the Notes are listed on the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require). Notice of any such termination or appointment and of any change in the office through which any Paying Agent will act will be given in accordance with Condition 13. The names of the initial Fiscal Agent and the initial Paying Agents and their respective initial offices are set forth at the end of the Fiscal and Paying Agency Agreement.

All monies paid by the Company or the Guarantor to the Fiscal Agent for the payment of principal of, or interest on, any Note which remains unclaimed at the end of two years after such principal or interest shall have become due and payable, will be repaid to the Company or the Guarantor (as the case may be) upon the Company's or the Guarantor's request and the holder of such Note will thereafter look only to the Company or the Guarantor for payment thereof.

5. Guarantee

The Guarantor will guarantee (the "**Guarantee**") the due and punctual payment of principal of and interest on the Notes and any Additional Amounts described under Condition 7 below, when and as the same shall become due and payable, whether at maturity, upon redemption or upon declaration of acceleration or otherwise, under any of the provisions of the Notes. The Guarantee is absolute and unconditional, irrespective of any circumstance that might otherwise constitute a legal or equitable discharge of a surety or guarantor. To evidence the Guarantee, a guarantee executed by the Guarantor will be endorsed on every Note.

The Guarantee will be a direct unsecured obligation of the Guarantor and will rank equally with all other unsecured and unsubordinated obligations of the Guarantor save for those preferred by mandatory provisions of law.

The Fiscal and Paying Agency Agreement and the Guarantee do not limit other indebtedness which may be issued by the Guarantor and contain no financial or similar restrictions on the Guarantor.

6. Redemption And Purchase

Maturity

The Notes are not redeemable before maturity except as provided under this Condition 6. The Notes will be redeemed by the Company in full at a redemption price equal to 100 percent of the principal amount of the Notes on December 7, 2015, with respect to the 2015 Notes, and on July 10, 2023, with respect to the 2023 Notes (respectively, the "**Maturity Date**") if they have not been otherwise redeemed as described herein.

Redemption for Tax Reasons

If, as a result of any change in or amendment to the laws (including any regulations or rulings promulgated thereunder) of Canada or the United States or any political subdivision thereof or therein affecting taxation, including any official proposal for such a change in or amendment to such laws, which became effective after the date of the Offering Circular or which proposal is made after such date, or any change in the official application or interpretation of such laws, including any official proposal for such a change, amendment or change in the application or interpretation of such laws, which change, amendment, application or interpretation is announced or becomes effective after the date of the Offering Circular or which proposal is made after such date, or any action taken by any taxing authority of Canada or the United States which action is taken or becomes generally known after the date of the Offering Circular, or any commencement of a proceeding in a court of competent jurisdiction in Canada or the United States after such date, whether or not such action was taken or such proceeding was brought with respect to the Company or the Guarantor, there is, in such case, in the written opinion of independent legal counsel of recognized standing to the Company or the Guarantor, a material increase in the probability that the Company has or may become (or if the Guarantor is required to make payment under the Guarantee and in making payment, in the opinion of independent counsel chosen by the Guarantor, the Guarantor has or may become) obligated to pay either U.S. Additional Amounts or Canadian Additional Amounts (as described below in Condition 7) and the Company or the Guarantor, in its business judgment, determines that such obligation cannot be avoided by the use of reasonable measures available to the Company and/or the Guarantor, not including assignment of the 2015 Notes and/or the 2023 Notes (as applicable) or the Guarantee, the 2015 Notes and/or the 2023 Notes (as applicable) may be redeemed, as a whole but not in part, at the Company's option at any time thereafter, at a redemption price equal to 100 percent of the principal amount of the 2015 Notes and/or the 2023 Notes (as applicable) to be redeemed together with (as applicable) accrued and unpaid interest thereon to (but not including) the date fixed for redemption (the "**Redemption Price**"). Before the publication of any notice of redemption of the 2015 Notes and/or the 2023 Notes (as applicable), pursuant to the foregoing, the Company or the Guarantor, as the case may be, shall deliver to the Fiscal Agent the opinion of a nationally recognized independent tax advisor to the Company or the Guarantor, as the case may be, as described above and a certificate setting out facts showing that the conditions precedent to the right of the Company so to redeem have occurred.

Notice of Redemption

Notice of redemption will be given by the Company not less than 30 nor more than 60 days before the date fixed for redemption, which date and the applicable Redemption Price will be specified in the notice. Such notice shall be published in accordance with Condition 13 below. Notice having been so given, the 2015 Notes and/or the 2023 Notes (as applicable) shall become due and payable on the redemption date upon surrender thereof and will be paid at the Redemption Price, at the offices or agencies in Luxembourg and in the manner specified therein.

If any Note called for redemption by the Company shall not be so paid upon surrender thereof for redemption, the principal, and interest, of such Note shall, until paid pursuant to Condition 4 hereof, bear interest from the redemption date at the rate borne by the 2015 Notes or the 2023 Notes, as the case may be.

Purchase by the Company or the Guarantor

The Company or the Guarantor (or any of its subsidiaries) may at any time purchase or otherwise acquire Notes in the open market or otherwise. Notes purchased or otherwise acquired by the Company may be held or, at the discretion of the Company, surrendered to the Fiscal Agent for cancellation. The Company may not resell or reissue those Notes purchased or otherwise acquired.

7. Payment of Additional Amounts

United States

The Company or the Guarantor (as applicable and if the Guarantor is required to make payments under the Guarantee) will pay to the holder of any Note who is a Non-U.S. Holder such additional amounts as may be necessary in order that every net payment in respect of the principal or interest on such Note, after deduction or withholding by the Company, the Guarantor or any Paying Agent for or on account of any present or future tax, assessment or governmental charge imposed upon or as a result of such payment by the United States or any political subdivision or taxing authority thereof or therein, will not be less than the amount provided for in such Note to be then due and payable before any such deduction or withholding for or on account of any such tax, assessment or governmental charge ("**U.S. Additional Amounts**"); provided, however, that the foregoing obligation to pay U.S. Additional Amounts shall not apply to:

(a) any tax, assessment or other governmental charge which would not have been so imposed but for (i) the existence of any present or former connection between such holder (or a fiduciary, settlor, beneficiary, member or shareholder of, or holder of a power over, such holder, if such holder is an estate, trust, partnership or corporation) and the United States, including, without limitation, such holder (or such fiduciary, settlor, beneficiary, member, shareholder of, or

holder of a power) being or having been a citizen or resident or treated as a resident thereof or being or having been engaged in a trade or business therein or being or having been present therein or having or having had a permanent establishment therein, or (ii) such holder's present or former status as a personal holding company or foreign personal holding company or controlled foreign corporation for United States federal income tax purposes or corporation which accumulates earnings to avoid United States federal income tax;

(b) any tax, assessment or other governmental charge which would not have been so imposed but for the presentation by the holder of any Note (where such presentation is required) for payment on a date more than 10 days after the date on which such payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later;

(c) any estate, inheritance, gift, sales, transfer, personal property or excise tax or any similar tax, assessment or governmental charge;

(d) any tax, assessment or other governmental charge which is payable otherwise than by withholding from payments in respect of principal of, or interest on, any Note;

(e) any tax, assessment or other governmental charge imposed on interest received by a holder or beneficial owner of a Note who actually or constructively owns 10% or more of the total combined voting power of all classes of stock of the Company entitled to vote within the meaning of Section 871(h)(3) of the United States Internal Revenue Code of 1986, as amended;

(f) any tax, assessment or other governmental charge imposed as a result of the failure to comply with (i) certification, information, documentation, reporting or other similar requirements concerning the nationality, residence, identity or connection with the United States of the holder or beneficial owner of the Note, if such compliance is required by statute, or by regulation of the United States Treasury Department, as a precondition to relief or exemption from such tax, assessment or other governmental charge (including backup withholding) or (ii) any other certification, information, documentation, reporting or other similar requirements under United States income tax laws or regulations that would establish entitlement to otherwise applicable relief or exemption from such tax, assessment or other governmental charge;

(g) any tax, assessment or other governmental charge required to be withheld by any Paying Agent from any payment of the principal of, or interest on, any Note, if such payment can be made without such withholding by at least one other Paying Agent;

(h) any Note where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to any European Union Directive on the taxation of savings implementing the conclusions of the

ECOFIN (European Union's Economic and Finance Ministers) Council meeting of 26-27 November 2000, or any law implementing or complying with, or introduced in order to conform to such directive; or

(i) any Note presented (where such presentation is required) for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note to another Paying Agent in a Member State of the European Union; or

(j) any combination of items (a) through (i);

nor will such U.S. Additional Amounts be paid to any holder who is a fiduciary or partnership or other than the sole beneficial owner of the Note to the extent a settlor or beneficiary with respect to such fiduciary or a member of such partnership or a beneficial owner of the Note would not have been entitled to payment of such U.S. Additional Amounts had such beneficiary, settlor, member or beneficial owner been the holder of the Note.

The Notes are subject in all cases to any tax, fiscal or other law or regulation or administrative or judicial interpretation applicable to the Notes. Except as specifically provided by this Condition 7, the Company or the Guarantor (as applicable) will not be required to make any payment for any tax, assessment or other governmental charge imposed by any government or a political subdivision or taxing authority of or in any government or political subdivision.

As used in this Condition 7, the term "**United States**" means the United States of America (including the states and the District of Columbia) and its territories, possessions and other areas subject to its jurisdiction; and the term "**Non-U.S. Holder**" means a person that is for United States federal income tax purposes, a (i) non resident alien individual, (ii) foreign corporation, (iii) non resident alien fiduciary of a foreign estate or trust, or (iv) a foreign partnership one or more members of which is, for United States federal income tax purposes, a non resident individual, a foreign corporation or a non resident alien fiduciary of a foreign estate or trust.

Canada

All payments of principal and interest in respect of the Notes will be made without withholding of or deduction for, or on account of, any present or future taxes, duties, assessment or governmental charges of whatever nature imposed or levied by or on behalf of the government of Canada or any political subdivision thereof, or any authority or agency therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law or the application or interpretation thereof. If such withholding or deduction is so required, the Company or the Guarantor, as applicable, shall pay (subject to the Company's right of redemption referred to

under "Redemption for Tax Reasons" in Condition 6) as additional interest such Additional Amounts as may be necessary in order that the net amounts received by the holders of Notes after such withholding or deduction shall equal the net payment in respect of such Notes which would have been received by them in respect of the Notes in the absence of such withholding or deduction ("**Canadian Additional Amounts**"); except that no Canadian Additional Amounts shall be payable with respect to any Note:

(a) held by or on behalf of a holder (i) that is not a "**Non-Canadian person**" as defined in the Offering Circular under the heading "Taxation of the Notes—Canadian Federal Taxation" or (ii) in respect of whom such taxes, duties, assessments or governmental charges are required to be withheld or deducted by reason of such holder failing to comply with any certification or information reporting as may be required under Canadian income tax law to qualify for an exemption from such deduction or withholding;

(b) presented for payment (where such presentation is required) more than 10 days after the later of (a) the date on which payment in respect of the Notes becomes due and payable or (b) if the full amount of monies payable on such date has not been received by the Fiscal Agent on or prior to such date, the date on which notice that such monies have been received is published, except to the extent that the holder thereof would have been entitled to such Canadian Additional Amounts on presenting such Note for payment on the last day of such period of 10 days;

(c) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to any European Union Directive on the taxation of savings implementing the conclusions of the ECOFIN (European Union's Economic and Finance Ministers) Council meeting of 26-27 November 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive;

(d) in respect of any payment of interest or principal if payment could have been made without such deduction or withholding by at least one other Paying Agent;

(e) in respect of any tax that is an estate, inheritance, gift, sales, transfer, personal property, value added, excise or any other similar tax or governmental charge; or

(f) any combination of items (a) through (e);

nor will Canadian Additional Amounts be paid to any holder who is a fiduciary or partnership or other than the sole beneficial owner of the Note to the extent a settlor or beneficiary with respect to such fiduciary or a member of such partnership or a beneficial owner of the Note would not have been entitled to

payment of the Canadian Additional Amounts had such beneficiary, settlor, member or beneficial owner been the holder of the Note.

The Company (or the Guarantor, as applicable) will indemnify and hold harmless each holder of Notes that is a Non-Canadian person and upon written request reimburse each such holder for the amount, excluding any payment of Additional Amounts, of:

(i) any Canadian taxes in respect of payments made under the Notes levied or imposed on and paid by such holder if such holder would have been entitled to a payment of Additional Amounts in respect of such Canadian taxes had such Canadian taxes been imposed or required to be collected by way of withholding;

(ii) any liability (including penalties, interest and expenses) arising therefrom or with respect thereto; and

(iii) any Canadian taxes imposed with respect to any reimbursement under clause (i) or (ii) of this paragraph but excluding any such Canadian taxes on such holder's net income.

The Notes are subject in all cases to any tax, fiscal or other law or regulation or administrative or judicial interpretation applicable thereto.

When used in these Conditions and otherwise in respect of the Notes, "**Additional Amounts**" shall mean U.S. Additional Amounts and/or Canadian Additional Amounts, as the context requires. Wherever in the Fiscal and Paying Agency Agreement there is mentioned, in any context the payment of principal or interest under or with respect to a Note, such mention shall be deemed to include mention of the payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof, as described under this Condition 7. Except as specifically provided by this Condition 7, the Company or the Guarantor (as applicable) shall not be required to make any payment with respect to any tax, assessment or governmental charge imposed by any government or a political subdivision or taxing authority thereof or therein.

8. Certain Covenants of the Guarantor

The following definitions shall be applicable to the covenants of the Guarantor specified below:

(i) "**Attributable Debt**" means, at the time of determination as to any lease, the present value (discounted at the actual rate, if stated, or, if no rate is stated, the implicit rate of interest of such lease transaction as determined by the chairman, president, any vice chairman, any vice president, the treasurer or any

assistant treasurer of the Guarantor), calculated using the interval of scheduled rental payments under such lease, of the obligation of the lessee for net rental payments during the remaining term of such lease (excluding any subsequent renewal or other extension options held by the lessee). The term "**net rental payments**" means, with respect to any lease for any period, the sum of the rental and other payments required to be paid in such period by the lessee thereunder, but not including, however, any amounts required to be paid by such lessee (whether or not designated as rental or additional rental) on account of maintenance and repairs, insurance, taxes, assessments, water rates, indemnities or similar charges required to be paid by such lessee thereunder or any amounts required to be paid by such lessee thereunder contingent upon the amount of sales, earnings or profits or of maintenance and repairs, insurance, taxes, assessments, water rates, indemnities or similar charges; provided, however, that, in the case of any lease which is terminable by the lessee upon the payment of a penalty in an amount which is less than the total discounted net rental payments required to be paid from the later of the first date upon which such lease may be so terminated and the date of the determination of net rental payments, "net rental payments" shall include the then-current amount of such penalty from the later of such two dates, and shall exclude the rental payments relating to the remaining period of the lease commencing with the later of such two dates.

(ii) "**Debt**" means notes, bonds, debentures or other similar evidences of indebtedness for money borrowed.

(iii) "**Manufacturing Subsidiary**" means any Subsidiary (A) substantially all the property of which is located within the continental United States of America, (B) which owns a Principal Domestic Manufacturing Property and (C) in which the Guarantor's investment, direct or indirect and whether in the form of equity, debt, advances or otherwise, is in excess of $2,500,000,000 as shown on the Guarantor's books as of the end of the fiscal year immediately preceding the date of determination; provided, however, that "Manufacturing Subsidiary" shall not include Hughes Electronics Corporation and its Subsidiaries, General Motors Acceptance Corporation and its Subsidiaries (or any corporate successor of any of them) or any other Subsidiary which is principally engaged in leasing or in financing installment receivables or otherwise providing financial or insurance services to the Guarantor or others or which is principally engaged in financing the Guarantor's operations outside the continental United States of America.

(iv) "**Mortgage**" means any mortgage, pledge, lien, security interest, conditional sale or other title retention agreement or other similar encumbrance.

(v) "**Principal Domestic Manufacturing Property**" means any manufacturing plant or facility owned by the Guarantor or any Manufacturing Subsidiary which is located within the continental United States of America and, in the opinion of the Guarantor's Board of Directors, is of material importance to the total business conducted by the Guarantor and its consolidated affiliates as an entity.

(vi) "**Subsidiary**" means any corporation of which at least a majority of the outstanding stock having by the terms thereof ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether or not at the time stock of any other class or classes of such corporation shall have or might have voting power by reason of the happening of any contingency) is at the time owned by the Guarantor, or by one or more Subsidiaries, or by the Guarantor and one or more Subsidiaries.

Limitation on Liens

The Guarantor will not, and will not permit any Manufacturing Subsidiary to, issue or assume any Debt secured by a Mortgage upon any Principal Domestic Manufacturing Property of the Guarantor or any Manufacturing Subsidiary or upon any shares of stock or indebtedness of any Manufacturing Subsidiary (whether such Principal Domestic Manufacturing Property, shares of stock or indebtedness are now owned or hereafter acquired) without in any such case effectively providing concurrently with the issuance or assumption of any such Debt that the Guarantees (together with, if the Guarantor shall so determine, any other indebtedness of the Guarantor or such Manufacturing Subsidiary ranking equally with the Guarantees and then existing or thereafter created) shall be secured equally and ratably with such Debt, unless the aggregate amount of Debt issued or assumed and so secured by Mortgages, together with all other Debt of the Guarantor and its Manufacturing Subsidiaries which (if originally issued or assumed at such time) would otherwise be subject to the foregoing restrictions, but not including Debt permitted to be secured under clauses (i) through (vi) of the immediately following paragraph, does not at the time exceed 20% of the stockholders equity of the Guarantor and its consolidated subsidiaries, as determined in accordance with accounting principles generally accepted in the United States and shown on the audited consolidated balance sheet contained in the latest published annual report to the Guarantor's stockholders.

The above restrictions shall not apply to Debt secured by:

(i) Mortgages on property, shares of stock or indebtedness of any corporation existing at the time such corporation becomes a Manufacturing Subsidiary;

(ii) Mortgages on property existing at the time of acquisition of such property by the Guarantor or a Manufacturing Subsidiary, or Mortgages to secure the payment of all or any part of the purchase price of such property upon the acquisition of such property by the Guarantor or a Manufacturing Subsidiary or to secure any Debt incurred prior to, at the time of, or within 180 days after, the later of the date of acquisition of such property and the date such property is placed in service, for the purpose of financing all or any part of the purchase price thereof, or Mortgages to secure any Debt incurred for the purpose of financing the cost to the Guarantor or a Manufacturing Subsidiary of improvements to such acquired property;

(iii) Mortgages securing Debt of a Manufacturing Subsidiary owing to the Guarantor or to another Subsidiary;

(iv) Mortgages on property of a corporation existing at the time such corporation is merged or consolidated with the Guarantor or a Manufacturing Subsidiary or at the time of a sale, lease or other disposition of the properties of a corporation as an entirety or substantially as an entirety to the Guarantor or a Manufacturing Subsidiary;

(v) Mortgages on property of the Guarantor or a Manufacturing Subsidiary in favor of the United States of America or any State thereof, or any department, agency or instrumentality or political subdivision of the United States of America or any State thereof, or in favor of any other country, or any political subdivision thereof, to secure partial, progress, advance or other payments pursuant to any contract or statute or to secure any indebtedness incurred for the purpose of financing all or any part of the purchase price or the cost of construction of the property subject to such Mortgages; or

(vi) any extension, renewal or replacement (or successive extensions, renewals or replacements) in whole or in part of any Mortgage referred to in the foregoing clauses (i) to (v); provided, however, that the principal amount of Debt secured thereby shall not exceed by more than 115% the principal amount of Debt so secured at the time of such extension, renewal or replacement and that such extension, renewal or replacement shall be limited to all or a part of the property which secured the Mortgage so extended, renewed or replaced (plus improvements on such property).

Limitation on Sale and Lease-Backs

The Guarantor will not, and will not permit any Manufacturing Subsidiary to, enter into any arrangement with any person providing for the leasing by the Guarantor or any Manufacturing Subsidiary of any Principal Domestic Manufacturing Property owned by the Guarantor or any Manufacturing Subsidiary on the date that the Guarantees are originally issued (except for temporary leases for a term of not more than five years and except for leases between the Guarantor and a Manufacturing Subsidiary or between Manufacturing Subsidiaries), which property has been or is to be sold or transferred by the Guarantor or such Manufacturing Subsidiary to such person, unless either:

(i) the Guarantor or such Manufacturing Subsidiary would be entitled, pursuant to the provisions of the limitation on liens set forth above, to issue, assume, extend, renew or replace Debt secured by a Mortgage upon such property equal in amount to the Attributable Debt in respect of such arrangement without equally and ratably securing the Guarantees; provided, however, that from and after the date on which such arrangement becomes effective the Attributable Debt in respect of such arrangement shall be deemed for all purposes under the

covenant on limitation on liens set forth above and this covenant on limitation on sale and lease-back to be Debt subject to the provisions of the covenant on limitation on liens described above (which provisions include the exceptions set forth in clauses (i) through (vi) of such covenant); or

(ii) the Guarantor shall apply an amount in cash equal to the Attributable Debt in respect of such arrangement to the retirement (other than any mandatory retirement or by way of payment at maturity), within 180 days of the effective date of any such arrangement, of Debt of the Guarantor or any Manufacturing Subsidiary (other than Debt owned by the Guarantor or any Manufacturing Subsidiary) which by its terms matures at or is extendible or renewable at the option of the obligor to a date more than twelve months after the date of the creation of such Debt.

9. Events of Default

In case one or more of the following events ("**Events of Default**") shall have occurred and be continuing:

(a) default in the payment of the principal of the 2015 Notes or the 2023 Notes as and when the same shall become due and payable either at maturity, upon redemption, by declaration or otherwise; or

(b) default in the payment of any installment of interest or in the payment of any Additional Amounts upon the 2015 Notes or the 2023 Notes as and when the same shall become due, and continuance of such default for a period of thirty days; or

(c) failure on the part of the Company or the Guarantor duly to observe or perform any other of the covenants or agreements on the part of the Company or the Guarantor applicable to the 2015 Notes or the 2023 Notes or the Guarantees or contained in the Fiscal and Paying Agency Agreement and the Conditions for a period of ninety days after the date on which written notice of such failure, requiring the Company or the Guarantor to remedy the same, shall have been given to the Company or the Guarantor by the Fiscal Agent, or to the Company or the Guarantor and the Fiscal Agent by the holders of at least 25 percent in aggregate principal amount of the 2015 Notes or the 2023 Notes at the time outstanding (as applicable); or

(d) a court having jurisdiction in the premises shall enter a decree or order for relief in respect of the Company or the Guarantor in an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of the Company or the Guarantor or for any substantial part of its property, or ordering the winding-up or liquidation of its affairs and such decree or order shall remain unstayed and in effect for a period of ninety days; or

(e) the Company or the Guarantor shall commence a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or shall consent to the entry of an order for relief in an involuntary case under any such law, or shall consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or similar official) of the Company or the Guarantor or for any substantial part of their respective property, or shall make any general assignment for the benefit of creditors;

then if an Event of Default described in clause (a), (b) or (c) shall have occurred and be continuing, and in each and every such case, unless the principal amount of all the 2015 Notes or the 2023 Notes, as the case may be, shall have already become due and payable, the holders of not less than 25 percent in aggregate principal amount of the 2015 Notes or the 2023 Notes affected thereby then outstanding (as applicable), by notice in writing to the Company (and the Fiscal Agent) may declare the principal amount of the 2015 Notes or the 2023 Notes (as applicable) affected thereby to be due and payable immediately, and upon any such declaration the same shall become and shall be immediately due and payable, any provision of the Fiscal and Paying Agency Agreement or the Notes contained to the contrary notwithstanding, or, if an Event of Default described in clause (d) or (e) shall have occurred and be continuing, and in each and every such case, the holders of not less than 25 percent in aggregate principal amount of the 2015 Notes or the 2023 Notes then outstanding (as applicable)), by notice in writing to the Company (and the Fiscal Agent), may declare the principal of the 2015 Notes or the 2023 Notes (as applicable) to be due and payable immediately, and upon any such declaration the same shall become and shall be immediately due and payable, any provision in the Fiscal and Paying Agency Agreement or in the Notes to the contrary notwithstanding. The foregoing provisions, however, are subject to the conditions that if, at any time after the principal of the 2015 Notes or the 2023 Notes shall have been so declared due and payable, and before any judgment or decree for the payment of the moneys due shall have been obtained or entered, the Company or the Guarantor shall pay or shall deposit with the Fiscal Agent a sum sufficient to pay all matured installments of interest, if any, and all Additional Amounts, if any, due upon the 2015 Notes or the 2023 Notes (as applicable) and the principal of the 2015 Notes or the 2023 Notes (as applicable) which shall have become due otherwise than by acceleration (with interest, if any, upon such principal, and, to the extent that payment of such interest is enforceable under applicable law, on overdue installments of interest and Additional Amounts, if any, at the same rate as the rate of interest specified in the 2015 Notes or the 2023 Notes, as the case may be, to the date of such payment or deposit), and such amount as shall be payable to the Fiscal Agent pursuant to the Fiscal and Paying Agency Agreement, and any and all defaults under the Fiscal and Paying Agency Agreement shall have been remedied, then and in every such case the holders of a majority in aggregate principal amount of the 2015 Notes or the 2023 Notes (as applicable) then outstanding, by written notice to the Company, the Guarantor and to the Fiscal Agent, may waive all defaults with respect to the 2015 Notes or the 2023 Notes (as applicable) and rescind and annul

such declaration and its consequences; but no such waiver or rescission and annulment shall extend to or shall affect any subsequent default or shall impair any right consequent thereon.

In case the Fiscal Agent shall have proceeded to enforce any right under the Fiscal and Paying Agency Agreement and such proceedings shall have been discontinued or abandoned because of such recession and annulment or for any other reason or shall have been determined adversely to the Fiscal Agent, then and in every such case the Company, the Guarantor, the Fiscal Agent and the holders of the 2015 Notes or the 2023 Notes, as the case may be, shall be restored respectively to their former positions and rights hereunder, and all rights, remedies and powers of the Company, the Guarantor, the Fiscal Agent and the holders of the 2015 Notes or the 2023 Notes, as the case may be, shall continue as though no such proceedings had been taken.

10. Fiscal and Paying Agents

The Fiscal Agent and each of the Paying Agents will act solely as agents of the Company and the Guarantor (as applicable) and will not assume any obligations or relationships of agency or trust towards or with any Noteholder, except that any funds received by the Fiscal Agent for the payment of any sums due in respect of the Notes relating thereto shall be held by it in trust for the relevant Noteholders until the expiration of the relevant period under Condition 4. The Fiscal and Paying Agency Agreement contains provisions for the indemnification of the Fiscal Agent and for its relief from responsibility in certain circumstances.

11. Consolidation, Merger or Sale of Assets

Each of the Company and the Guarantor covenants that it will not merge or consolidate with any other corporation or sell or convey all or substantially all of its assets to any person, firm or corporation, unless (i) either the Company or the Guarantor, as the case may be, shall be the continuing company, or the successor corporation (if other than the Company or the Guarantor, as the case may be) shall be a company organized and existing under, in the case of a successor to the Company, the laws of Canada or a province thereof, or in the case of a successor to the Guarantor, the United States of America or a state thereof and such corporation shall expressly assume the due and punctual payment of the principal of, interest, and Additional Amounts, if any, on the Notes, according to their tenor, and the due and punctual performance and observance of all of the covenants and conditions of the Fiscal and Paying Agency Agreement to be performed by the Company or the Guarantor, as the case may be, in an instrument executed and delivered to the Fiscal Agent by such corporation and (ii) the Company, the Guarantor or such successor corporation, as the case may be, shall not, immediately after such merger or consolidation, or such sale or conveyance, be in default in the performance of any such covenant or condition.

Notwithstanding the foregoing, the Company may transfer all or any part of its assets to the Guarantor or to any other entity controlled by the Company and/or the Guarantor, provided that such transfer shall not in any way affect the rights of holders of the Notes under the Notes or the Guarantee or to the full and punctual performance and observance of all Company and Guarantor covenants and conditions of the Fiscal and Paying Agency Agreement.

In case of any such consolidation, merger, sale or conveyance and upon any such assumption by the successor corporation, such successor corporation shall succeed to and be substituted for the Company or the Guarantor, as the case may be, with the same effect as if it had been named in the Fiscal and Paying Agency Agreement.

The Fiscal Agent may receive an opinion of counsel (which counsel may be an employee of or counsel to the Company, or who may be other counsel acceptable to the Fiscal Agent) as conclusive evidence that any such consolidation, merger, sale or conveyance, and any such assumption, complies with the provisions of this Condition 11.

12. *Meetings of Noteholders and Modification*

The Fiscal and Paying Agency Agreement contains provisions for convening meetings of Noteholders to consider matters affecting their interests including modifications by Extraordinary Resolution with respect to the 2015 Notes or the 2023 Notes of the Terms and Conditions of the Notes, the Guarantees and the Fiscal and Paying Agency Agreement. The quorum at any such meeting for passing a resolution proposed as an Extraordinary Resolution will be one or more persons holding or representing a clear majority in principal amount of the 2015 Notes or the 2023 Notes (as applicable) for the time being outstanding, except that at any meeting, the business of which includes, *inter alia*, (i) modification of the Maturity Date of the 2015 Notes or the 2023 Notes or reduction or cancellation of the principal amount payable upon maturity, (ii) reduction of the amount payable or modification of the payment date in respect of any interest on the 2015 Notes or the 2023 Notes, (iii) modification of the currency in which payments under the Notes are to be made, (iv) modification of the majority required to pass an Extraordinary Resolution or (v) modification of the provisions of the Fiscal and Paying Agency Agreement concerning this exception, the necessary quorum for passing an Extraordinary Resolution will be one or more persons holding or representing not less than two-thirds, or at any adjourned meeting not less than a clear majority, in principal amount of the 2015 Notes or the 2023 Notes (as applicable) for the time being outstanding. Any resolution duly passed at any such meeting shall be binding on all Noteholders (whether or not they were present at such meeting).

The Fiscal Agent may agree with the Company and the Guarantor, without the consent of the Noteholders, to any modification to any of the provisions of the Fiscal and Paying Agency Agreement, the Notes or the Guarantee which is of a

formal, minor or technical nature in the opinion of the Company and the Guarantor or to add any covenant, restriction, condition or provision as the Company and the Guarantor shall consider to be for the protection of the Noteholders or is made for the purpose of curing any ambiguity, or correcting or supplementing any provision contained therein which may be defective or inconsistent with any other provision contained therein, or to make such other provisions in regard to matters or questions arising under the Fiscal and Paying Agency Agreement as shall not adversely affect the interests of the holders of the Notes. Any such modification shall be binding on all the Noteholders, and, if the Fiscal Agent so requires, shall be notified to the Noteholders as soon as practicable thereafter in accordance with Condition 13.

13. Notices

Notices to Noteholders will be given by publication in a daily morning newspaper in the English language of general circulation in London, England. In addition, so long as the 2015 Notes and the 2023 Notes are listed on the Luxembourg Stock Exchange and the rules of such Exchange shall so require, notices to holders of the 2015 Notes or the 2023 Notes (as applicable) will be given by publication in a daily newspaper of general circulation in Luxembourg. The terms "**daily morning newspaper**" and "**daily newspaper**" shall be deemed to mean a newspaper customarily published on each Business Day (as defined under Condition 4) (in morning editions, in the case of "daily morning newspaper"), whether or not it shall be published in Saturday, Sunday, or holiday editions. If, by reason of the temporary or permanent suspension of publication of any newspaper, or by reason of any other cause, it shall be impossible to make publication of such notice in a daily morning newspaper in the English language of general circulation in London, England, and Luxembourg then such publication or other notice in lieu thereof as shall be made by the Fiscal Agent shall constitute sufficient publication of such notice, if such publication or other notice shall be in an English language newspaper with general circulation in Europe and, so far as may be possible, shall approximate the terms and conditions of the publication in lieu of which it is given. In addition, any notice shall be published in a manner which complies with the rules and regulations of the Luxembourg Stock Exchange.

Such publication is expected to be made in the *Financial Times* and the *Luxemburger Wort*. Such notice shall be deemed to have been given on the date of publication, or, if published on more than one date, on the date of first publication.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together with the relevant Note or Notes, with the Fiscal Agent.

14. Replacement of Notes

In the case of any Global Notes or any Definitive Notes issued under the circumstances described under "Issuance of Definitive Notes" in Condition 1, any such Notes that become mutilated, defaced, destroyed, stolen or lost will be replaced by the Company at the expense of the holder upon delivery to the registrar (the "**Replacement Agent**") of such Notes or evidence of the loss, theft or destruction thereof satisfactory to the Company and the Replacement Agent. In the case of a mutilated, defaced, destroyed, stolen or lost Note, an indemnity and/or security satisfactory to the Replacement Agent and the Company may be required at the expense of the holder of such Note before a replacement Note will be issued.

15. Further Issues

The Company may from time to time, without the consent of the holder of any Note, create and issue further 2015 Notes and/or 2023 Notes ranking equally in all respects and on the same terms and conditions in all respects (or in all respects save for the date and amount of the first payment of interest thereon) so that such issue shall be consolidated and form a single series with the 2015 Notes or the 2023 Notes (as applicable) for all purposes, provided, however, that such further Notes may be issued only within three years of the issue date of the original Notes and only if they are fungible with the original Notes for United States federal income tax purposes.

16. Governing Law

The Fiscal and Paying Agency Agreement, the Notes (including the Terms and Conditions of the Notes) and the Guarantees will be governed by and construed in accordance with the laws of the State of New York, United States of America without giving effect to the principles of conflicts of law.

Each of the Company and the Guarantor irrevocably agrees that any legal action or proceeding against them arising out of or in connection with the Notes and the Guarantees may be brought in any federal or New York State court sitting in the Borough of Manhattan and each of the Company and the Guarantor irrevocably waives, to the fullest extent permitted by law, any objection they may have to the laying of venue of any such action or proceeding brought in any such court and any claim that any such action or proceeding has been brought in an inconvenient forum.

THE GUARANTEE

The following is the text of the Guarantee of the Notes that will be endorsed on the Global Notes and the definitive Notes.

General Motors Corporation (the "Guarantor") hereby unconditionally guarantees to the holder of this Note duly authenticated and delivered by the Fiscal Agent, the due and punctual payment of the principal of, and interest (together with any Additional Amounts payable pursuant to the terms of this Note), on this Note, when and as the same shall become due and payable, whether at maturity or upon redemption or upon declaration of acceleration or otherwise according to the terms of this Note and of the Fiscal and Paying Agency Agreement. In case of default by General Motors Nova Scotia Finance Company (the "Company") in the payment of any such principal or interest (together with any Additional Amounts payable pursuant to the terms of this Note), the Guarantor agrees duly and punctually to pay the same. The Guarantor hereby agrees that its obligations hereunder shall be absolute and unconditional irrespective of any extension of the time for payment of this Note, any modification of this Note, any invalidity, irregularity or unenforceability of this Note or the Fiscal and Paying Agency Agreement, any failure to enforce the same or any waiver, modification or indulgence granted to the Company with respect thereto by the holder of this Note or the Fiscal Agent, or any other circumstances which may otherwise constitute a legal or equitable discharge of a surety or guarantor. The Guarantor hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of merger or bankruptcy of the Company, any right to require a demand or proceeding first against the Company, protest or notice with respect to this Note or the indebtedness evidenced thereby and all demands whatsoever, and covenants that this guarantee will not be discharged as to this Note except by payment in full of the principal of, and interest (together with any Additional Amounts payable pursuant to the terms of this Note), thereon.

The Guarantor irrevocably waives any and all rights to which it may be entitled, by operation of law or otherwise, upon making any payment hereunder (i) to be subrogated to the rights of a holder against the Company with respect to such payment or otherwise to be reimbursed, indemnified or exonerated by the Company in respect thereof or (ii) to receive any payment, in the nature of contribution or for any other reason, from any other obligor with respect to such payment.

This guarantee shall not be valid or become obligatory for any purpose with respect to this Note until the certificate of authentication on this Note shall have been signed by the Fiscal Agent.

This guarantee is governed by the laws of the State of New York, United States of America.

IN WITNESS WHEREOF, General Motors Corporation has caused this guarantee to be signed by facsimile by its duly authorized officers and has caused a facsimile of its corporate seal to be affixed hereunto or imprinted hereon.

GENERAL MOTORS
CORPORATION

By:

By:

SCHEDULE 2

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE REPRESENTED BY THE GLOBAL NOTES

The following is a summary of certain additional provisions to be contained in the Global Notes, with respect to the 2015 Notes and the 2023 Notes, which will apply to, and to the extent that they are inconsistent with, modify the terms and conditions of the Notes set forth under "Terms and Conditions of the Notes".

1. Notices

For so long as all of the Notes are represented by one or more of the Global Notes and such Global Note(s) is/are held on behalf of Euroclear and/or Clearstream, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream (as the case may be) for communication to the relative Accountholders rather than by publication as required by Condition 13, provided that, so long as the Notes are listed on the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require, notices to Noteholders will be given by publication in a daily newspaper of general circulation in Luxembourg. Such publication is expected to be made in the *Luxemburger Wort*. In addition, any notice shall be published in a manner which complies with the rules and regulations of the Luxembourg Stock Exchange. Any such notice shall be deemed to have been given to the Noteholders on the seventh day after the day on which such notice is delivered to Euroclear and/or Clearstream (as the case may be) as aforesaid.

2. Accountholders

For so long as all of the Notes are represented by a Global Note and such Global Note is held on behalf of Euroclear and/or Clearstream, each person who is for the time being shown in the records of Euroclear or Clearstream as the holder of a particular principal amount of such Notes (each an "**Accountholder**") (in which regard any certificate or other document issued by Euroclear or Clearstream, as to the principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes) shall be treated as the holder of such principal amount of such Notes for all purposes (including for the purposes of any quorum requirements of, or the right to demand a poll at, meetings of the Noteholders) other than with respect to the payment of principal and interest on such Notes, the right to which shall be vested, as against the Company solely to the registered owner of the Global Note in accordance with and subject to its terms. Each Accountholder must look solely to Euroclear or Clearstream (as the case may be) for its share of each payment made to the registered owner of the relevant Global Note.

3. Cancellation

Cancellation of any Note represented by a Global Note and required by the Terms and Conditions of the Notes to be cancelled following its redemption or purchase will be effected by endorsement by or on behalf of the Fiscal Agent of the reduction in the principal amount of the relevant Global Note on the relevant part of the schedule thereto.

4. Euroclear And Clearstream

References herein to Euroclear and Clearstream shall be deemed to include references to any other clearing system through which interests in the Notes are held.

SCHEDULE 3

FORMS OF GLOBAL AND DEFINITIVE NOTES

PART I
FORM OF GLOBAL NOTE

Common Code No.:
ISIN No.:

THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") AND MAY NOT BE OFFERED OR SOLD DIRECTLY OR INDIRECTLY IN THE UNITED STATES OF AMERICA (INCLUDING THE STATES AND THE DISTRICT OF COLUMBIA), ITS POSSESSIONS, ITS TERRITORIES OR OTHER AREAS SUBJECT TO ITS JURISDICTION (THE "UNITED STATES") OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY CITIZEN OR RESIDENT OF THE UNITED STATES, ANY CORPORATION, PARTNERSHIP OR OTHER ENTITY CREATED OR ORGANIZED IN OR UNDER THE LAWS OF THE UNITED STATES OR ANY POLITICAL SUBDIVISION THEREOF OR THEREIN, AN ESTATE THE INCOME OF WHICH IS SUBJECT TO UNITED STATES FEDERAL INCOME TAXATION REGARDLESS OF ITS SOURCE OR A TRUST IF BOTH A COURT WITHIN THE UNITED STATES IS ABLE TO EXERCISE PRIMARY SUPERVISION OVER ITS ADMINISTRATION AND ONE OR MORE UNITED STATES PERSONS HAVE THE AUTHORITY TO CONTROL ALL OF ITS SUBSTANTIAL DECISIONS OR A TRUST THAT HAS MADE A VALID ELECTION TO BE TREATED AS A DOMESTIC TRUST FOR UNITED STATES FEDERAL INCOME TAX PURPOSES ("UNITED STATES PERSONS"); PROVIDED, HOWEVER, THAT THE TERM "UNITED STATES PERSON" SHALL NOT INCLUDE A BRANCH OR AGENCY OF A UNITED STATES BANK OR INSURANCE COMPANY THAT IS OPERATING OUTSIDE THE UNITED STATES FOR VALID BUSINESS REASONS AS A LOCALLY REGULATED BRANCH OR INSURANCE BUSINESS AND NOT SOLELY FOR THE PURPOSE OF INVESTING IN SECURITIES NOT REGISTERED UNDER THE SECURITIES ACT.

THIS NOTE IS A GLOBAL NOTE WITHOUT COUPONS, EXCHANGEABLE FOR DEFINITIVE NOTES WITHOUT COUPONS ONLY IN LIMITED CIRCUMSTANCES AT THE MAIN OFFICE OF THE FISCAL AGENT (AS DEFINED HEREIN) IN LUXEMBOURG. THE RIGHTS ATTACHING TO THIS GLOBAL NOTE, AND THE CONDITIONS AND PROCEDURES GOVERNING ITS EXCHANGE FOR DEFINITIVE NOTES, ARE AS SPECIFIED IN THE TERMS AND CONDITIONS OF THIS NOTE.

NEITHER THE HOLDER NOR THE BENEFICIAL OWNERS OF THIS GLOBAL NOTE SHALL BE ENTITLED TO RECEIVE PAYMENT OF INTEREST HEREON EXCEPT PURSUANT TO THE PROVISIONS HEREOF.

GENERAL MOTORS NOVA SCOTIA FINANCE COMPANY
(organized under the laws of Nova Scotia, Canada)

GLOBAL NOTE
representing

£

PERCENT NOTES DUE

This Note is listed on the Luxembourg Stock Exchange

General Motors Nova Scotia Finance Company, a company organized under the laws of Nova Scotia, promises to pay to BT Globenet Nominees Limited or registered assigns the principal sum specified in Schedule A hereto, on _____, upon surrender hereof, and to pay interest at the rate of percent per annum in arrears from the date of issuance or the later date to which interest has been paid or provided for on said principal amount annually on each , beginning , until payment of said principal amount has been made or duly provided for. Such payments shall be made in Pounds Sterling.

Reference is made to the further provisions set forth under Terms and Conditions of the Note endorsed on the reverse hereof. Such further provisions shall for all purposes have the same effect as though fully set forth at this place.

Holders of this Note are deemed to have notice of all of the provisions of the Fiscal and Paying Agency Agreement dated July 10, 2003 among the Company, General Motors Corporation as Guarantor, Deutsche Bank Luxembourg S.A. as Fiscal Agent and principal Paying Agent and Banque Générale du Luxembourg S.A., as Paying Agent (as amended from time to time in accordance with its terms, the "**Fiscal and Paying Agency Agreement**") applicable to them. Copies of the Fiscal and Paying Agency Agreement are available for inspection at the specified offices of the Fiscal Agent.

Title to this Note shall pass on registration of the Note in the Note Register for the Notes. Prior to the registration of any transfer of this Note in the Note Register, the Company may treat the person in whose name this Note is registered as the absolute owner of this Note for all purposes (notwithstanding any notice to the contrary and whether or not this Note shall be overdue and notwithstanding any notice of ownership or writing hereon or notice of any previous loss or theft or trust or other interest herein).

This Note shall not be valid or become obligatory for any purpose until the Certificate of Authentication hereon shall have been duly signed by the Fiscal Agent acting in accordance with the Fiscal and Paying Agency Agreement.

IN WITNESS whereof the Company has caused this Global Note to be duly executed on its behalf.

GENERAL MOTORS NOVA SCOTIA
FINANCE COMPANY

By:
Name:
Duly Authorized Officer

Dated: July , 2003

CERTIFICATE OF AUTHENTICATION

This is the Global Note described in the within-mentioned Fiscal and Paying Agency Agreement.

DEUTSCHE BANK LUXEMBOURG S.A.
as Fiscal Agent without warranty, recourse or liability

By:
Name:
Title:
Authorized Officer

Schedule A

The initial principal amount of this Global Note is £ .
Changes in principal amount of this Global Note are set forth below:

Date	Principal amount by which this Global Note is to be decreased and reason for decrease	Remaining principal amount of this Global Note after such decrease	Notation made by or on behalf of the Company

Schedule B

SCHEDULE OF EXCHANGES
FOR NOTES REPRESENTED BY A GLOBAL NOTE

The following exchanges of a part of this Global Note for Notes represented by Definitive Notes have been made:

Date of Exchange	Principal Amount of Definitive Notes Issued in Exchange for a Portion of this Global Note	Remaining Principal Amount of this Global Note Following such Exchange	Notation Made by or on Behalf of the Company

PART II

FORM OF DEFINITIVE NOTE

THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") AND MAY NOT BE OFFERED OR SOLD DIRECTLY OR INDIRECTLY IN THE UNITED STATES OF AMERICA (INCLUDING THE STATES AND THE DISTRICT OF COLUMBIA), ITS POSSESSIONS, ITS TERRITORIES OR OTHER AREAS SUBJECT TO ITS JURISDICTION (THE "UNITED STATES") OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY CITIZEN OR RESIDENT OF THE UNITED STATES, ANY CORPORATION, PARTNERSHIP OR OTHER ENTITY CREATED OR ORGANIZED IN OR UNDER THE LAWS OF THE UNITED STATES OR ANY POLITICAL SUBDIVISION THEREOF OR THEREIN, AN ESTATE THE INCOME OF WHICH IS SUBJECT TO UNITED STATES FEDERAL INCOME TAXATION REGARDLESS OF ITS SOURCE OR A TRUST IF BOTH A COURT WITHIN THE UNITED STATES IS ABLE TO EXERCISE PRIMARY SUPERVISION OVER ITS ADMINISTRATION AND ONE OR MORE UNITED STATES PERSONS HAVE THE AUTHORITY TO CONTROL ALL OF ITS SUBSTANTIAL DECISIONS OR A TRUST THAT HAS MADE A VALID ELECTION TO BE TREATED AS A DOMESTIC TRUST FOR UNITED STATES FEDERAL INCOME TAX PURPOSES ("UNITED STATES PERSONS"); PROVIDED, HOWEVER, THAT THE TERM "UNITED STATES PERSON" SHALL NOT INCLUDE A BRANCH OR AGENCY OF A UNITED STATES BANK OR INSURANCE COMPANY THAT IS OPERATING OUTSIDE THE UNITED STATES FOR VALID BUSINESS REASONS AS A LOCALLY REGULATED BRANCH OR INSURANCE BUSINESS AND NOT SOLELY FOR THE PURPOSE OF INVESTING IN SECURITIES NOT REGISTERED UNDER THE SECURITIES ACT.

£1,000/£10,000/£100,000

GENERAL MOTORS NOVA SCOTIA FINANCE COMPANY

(organized under the laws of Nova Scotia, Canada)

£

PERCENT NOTES DUE

This Note is listed on the Luxembourg Stock Exchange

GENERAL MOTORS NOVA SCOTIA FINANCE COMPANY, a Nova Scotia company (the "**Company**"), for value received, hereby promises to pay to _____ or registered assigns on , upon surrender hereof, the principal amount of

One Thousand/Ten Thousand/One Hundred Thousand Pounds Sterling
£1,000/£10,000/£100,000

and to pay interest at the rate of percent per annum in arrears from the date of issuance or the later date to which interest has been paid or provided for on said principal amount annually on each , beginning , until payment of said principal amount has been made or duly provided for. Such payments shall be made in Pounds Sterling.

Reference is made to the further provisions set forth under Terms and Conditions of the Note endorsed on the reverse hereof. Such further provisions shall for all purposes have the same effect as though fully set forth at this place.

Holders of this Note are deemed to have notice of all of the provisions of the Fiscal and Paying Agency Agreement dated July 10, 2003 among the Company, General Motors Corporation as Guarantor, Deutsche Bank Luxembourg S.A. as Fiscal Agent and principal Paying Agent and Banque Générale du Luxembourg S.A., as Paying Agent (as amended from time to time in accordance with its terms, the "**Fiscal and Paying Agency Agreement**") applicable to them. Copies of the Fiscal and Paying Agency Agreement are available for inspection at the specified offices of the Fiscal Agent.

Title to this Note shall pass on registration of the Note in the Note Register for the Notes. Prior to the registration of any transfer of this Note in the Note Register, the Company may treat the person in whose name this Note is registered as the absolute owner of this Note for all purposes (notwithstanding any notice to the contrary and whether or not this Note shall be overdue and notwithstanding any notice of ownership or writing hereon or notice of any previous loss or theft or trust or other interest herein).

This Note shall not be valid or become obligatory for any purpose until the Certificate of Authentication hereon shall have been duly signed by the Fiscal Agent acting in accordance with the Fiscal and Paying Agency Agreement.

IN WITNESS whereof the Company has caused this Note to be duly executed on its behalf.

GENERAL MOTORS NOVA SCOTIA
FINANCE COMPANY

By:
Name:
Duly Authorized Officer

Dated: July , 2003

CERTIFICATE OF AUTHENTICATION

This is one of the Notes described in the within-mentioned Fiscal and Paying Agency Agreement.

DEUTSCHE BANK LUXEMBOURG S.A.
as Fiscal Agent without warranty, recourse or liability

By:
Name:
Title:

SCHEDULE 4

PROVISIONS FOR MEETINGS OF NOTEHOLDERS

1. As used in this Schedule the following expressions shall have the following meanings unless the context otherwise requires:

(i) "**voting certificate**" shall mean an English language certificate issued by a Paying Agent and dated, in which it is stated:

(a) that on the date thereof Notes (not being Notes in respect of which a block voting instruction has been issued and is outstanding in respect of the meeting specified in such voting certificate and any adjourned such meeting) bearing specified serial numbers were deposited with such Paying Agent or (to the satisfaction of such Paying Agent) were held to its order or under its control and that no such Notes will cease to be so deposited or held until the first to occur of:

(1) the conclusion of the meeting specified in such certificate, or, if applicable, any adjourned such meeting; and

(2) the surrender of the certificate to the Paying Agent who issued the same; and

(b) that the Noteholder is entitled to attend and vote at such meeting and any adjourned such meeting in respect of the Notes represented by such certificate;

(ii) "**block voting instruction**" shall mean an English language document issued by a Paying Agent and dated, in which:

(a) it is certified that Notes (not being Notes in respect of which a voting certificate has been issued and is outstanding in respect of the meeting specified in such block voting instruction and any adjourned such meeting) have been deposited with such Paying Agent or (to the satisfaction of such Paying Agent) were held to its order or under its control and that no such Notes will cease to be so deposited or held until the first to occur of:

(1) the conclusion of the meeting specified in such document or, if applicable, any adjourned such meeting; and

(2) the surrender to the Paying Agent not less than 48 hours before the time for which such meeting or any adjourned such meeting is convened of the receipt issued by such Paying Agent in respect of each such deposited Note which is to be

released or (as the case may require) the Note or Notes ceasing with the agreement of the Paying Agent to be held to its order or under its control and the giving of notice by the Paying Agent to the Company in accordance with paragraph 17 below of the necessary amendment to the block voting instruction;

(b) it is certified that each holder of such Notes has instructed such Paying Agent that the vote(s) attributable to the Note or Notes so deposited or held should be cast in a particular way in relation to the resolution or resolutions to be put to such meeting or any adjourned such meeting and that all such instructions are during the period commencing 48 hours prior to the time for which such meeting or any adjourned such meeting is convened and ending at the conclusion or adjournment thereof neither revocable nor capable of amendment;

(c) the total number and the serial numbers of the Notes so deposited or held are listed distinguishing with regard to each such resolution between those in respect of which instructions have been given as aforesaid that the votes attributable thereto should be cast in favor of the resolution and those in respect of which instructions have been so given that the votes attributable thereto should be cast against the resolution; and

(d) one or more persons named in such document (each hereinafter called a "**proxy**") is or are authorized and instructed by such Paying Agent to cast the votes attributable to the Notes so listed in accordance with the instructions referred to in sub-paragraph (c) above as set out in such document.

The holder of any voting certificate or the proxies named in any block voting instruction shall for all purposes in connection with the relevant meeting or adjourned meeting of Noteholders be deemed to be the holder of the Notes to which such voting certificate or block voting instruction relates and the Paying Agent with which such Notes have been deposited or the person holding the same to the order or under the control of such Paying Agent shall be deemed for such purposes not to be the holder of those Notes.

2. The Company may at any time and, upon a requisition in writing of Noteholders holding not less than one tenth of the principal amount of the 2015 Notes or the 2023 Notes for the time being outstanding, convene a meeting of the applicable Noteholders and if the Company is in default for a period of seven days in convening such a meeting the same may be convened by the requisitionists. Whenever the Company is about to convene any such meeting they shall forthwith give notice in writing to the Fiscal Agent of the day, time and place thereof and of the nature of the business to be transacted thereat.

3. At least 21 days' notice (exclusive of the day on which the notice is given and the day on which the meeting is held) specifying the place, day and hour of meeting shall be given to the Noteholders prior to any meeting of the Noteholders in the manner provided by Condition 13. Such notice shall state

generally the nature of the business to be transacted at the meeting thereby convened but it shall not be necessary to specify in such notice the terms of any resolution to be proposed. Such notice shall include a statement to the effect that Notes may be deposited with Paying Agents for the purpose of obtaining voting certificates or appointing proxies not less than 1 Business Day before the time fixed for the meeting or, in the case of corporations, may appoint representatives by resolution of their directors or other governing body. A copy of the notice shall be sent by overnight courier to the Company (unless the meeting is convened by the Company).

4. Some person (who need not be a Noteholder) nominated in writing by the Company shall be entitled to take the chair at every such meeting but if no such nomination is made or if at any meeting the person nominated shall not be present within fifteen minutes after the time appointed for holding the meeting the Noteholders present shall choose one of their number to be Chairman.

5. At any such meeting one or more persons present holding the 2015 Notes or the 2023 Notes or voting certificates or being proxies and holding or representing in the aggregate not less than one twentieth of the principal amount of the 2015 Notes or the 2023 Notes shall form a quorum for the transaction of business and no business (other than choosing of a Chairman) shall be transacted at any meeting unless the requisite quorum be present at the commencement of business. An "**Extraordinary Resolution**" refers to any resolution affecting the interests of the Noteholders, including modification of the Conditions, the 2015 Notes or the 2023 Notes or the Fiscal and Paying Agency Agreement. The quorum at any such meeting for passing an Extraordinary Resolution shall (subject as provided below) be one or more persons present holding Notes or voting certificates or being proxies and holding or representing in the aggregate a clear majority in principal amount of the 2015 Notes or the 2023 Notes (as applicable) for the time being outstanding provided that with respect to any of the following matters:

(i) modification of the Maturity Date of the 2015 Notes or the 2023 Notes or reduction or cancellation of the amount of principal payable upon maturity;

(ii) variation of calculating the rate of interest in respect of the 2015 Notes or the 2023 Notes;

(iii) modification of the currency in which payments under the 2015 Notes or the 2023 Notes are to be made;

(iv) modification of the majority required to pass an Extraordinary Resolution;

(vi) alteration of this proviso or the proviso to paragraph 6 below;

the quorum for passing shall be one or more persons present holding Notes or voting certificates or being proxies and holding or representing in the aggregate not less than two-thirds, or at any adjourned such meeting not less than a clear majority, of the principal amount of the 2015 Notes or the 2023 Notes (as applicable) for the time being outstanding. An Extraordinary Resolution passed at any meeting of the holders of Notes will be binding on all holders of the 2015 Notes or the 2023 Notes, as the case may be, whether or not they are present at the meeting. Except as otherwise provided herein, the quorum at any meeting for passing any matters other than Extraordinary Resolutions shall be one or more persons present holding or representing in the aggregate not less than a clear majority of the principal amount of the 2015 Notes or the 2023 Notes (as applicable) represented at such meeting.

6. If within fifteen minutes after the time appointed for any such meeting a quorum is not present the meeting shall if convened upon the requisition of Noteholders be dissolved. In any other case it shall stand adjourned to the same day in the next week (or if such is a public holiday the next succeeding Business Day) at the same time and place (except in the case of a meeting at which an Extraordinary Resolution is to be proposed in which case it shall stand adjourned for such period being not less than 14 days nor more than 42 days, and at such place as may be appointed by the Chairman and approved by the Fiscal Agent) and at such adjourned meeting one or more persons present holding Notes or voting certificates or being proxies (whatever the principal amount of the Notes so held or represented by them) shall (subject as provided below) form a quorum and shall (subject as provided below) have power to pass any Extraordinary Resolution or other resolution and to decide upon all matters which could properly have been dealt with at the meeting from which the adjournment took place had the requisite quorum been present provided that at any adjourned meeting the business of which includes any of the matters specified in the proviso to paragraph 5 above the quorum for passing on Extraordinary Resolution shall be one or more persons present holding Notes or voting certificates or being proxies and holding or representing in the aggregate not less than a clear majority of principal amount of the 2015 Notes or the 2023 Notes (as applicable) for the time being outstanding.

7. Notice of any adjourned meeting at which an Extraordinary Resolution is to be submitted shall be given in the same manner as notice of an original meeting but as if 10 were substituted for 21 in paragraph 3 above and such notice shall (except in cases where the proviso to paragraph 6 above shall apply when it shall state the relevant quorum) state that two or more persons present holding Notes or voting certificates or being proxies at the adjourned meeting whatever the principal amount of the Notes held or represented by them will form a quorum. Subject as aforesaid it shall not be necessary to give any notice of an adjourned meeting.

8. Every question, including any Extraordinary Resolution, submitted to a meeting shall be decided in the first instance by a show of hands and in case of equality of votes the Chairman shall both on a show of hands and on a poll have a casting vote in addition to the vote or votes (if any) to which he may be entitled as a Noteholder or as a holder of a voting certificate or as a proxy.

9. At any meeting unless a poll is (before or on the declaration of the result of the show of hands) demanded by the Chairman, the Company or by two or more persons present holding Notes or voting certificates or being proxies and holding or representing in the aggregate not less than one fiftieth part of the principal amount of the 2015 Notes or the 2023 Notes (as applicable) then outstanding a declaration by the Chairman that a resolution has been carried or carried by a particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favor or against such resolution.

10. Subject to paragraph 12 below, if at any such meeting a poll is so demanded it shall be taken in such manner and subject as hereinafter provided either at once or after an adjournment as the Chairman directs and the result of such poll shall be deemed to be the resolution of the meeting at which the poll was demanded as at the date of the taking of the poll. The demand for a poll shall not prevent the continuance of the meeting for the transaction of any business other than the motion on which the poll has been demanded.

11. The Chairman may with the consent of (and shall if directed by) any such meeting adjourn the same from time to time and from place to place but no business shall be transacted at any adjourned meeting except business which might lawfully (but for lack of a required quorum) have been transacted at the meeting from which the adjournment took place.

12. Any poll demanded at any such meeting on the election of a Chairman or on any question of adjournment shall be taken at the meeting without adjournment.

13. Any director or officer of the Company and their lawyers and financial advisers may attend and speak at any meeting. Save as aforesaid, but without prejudice to the proviso to the definition of "outstanding" in Clause 1 of the Fiscal and Paying Agency Agreement, no person shall be entitled to attend and speak nor shall any person be entitled to vote at any meeting of the Noteholders or join with others in requisitioning the convening of such a meeting unless he either produces the Note or Notes of which he is the holder or a voting certificate or is a proxy. Neither the Company nor any of its subsidiaries shall be entitled to vote at any meeting in respect of 2015 Notes or the 2023 Notes held by it for the benefit of the Company and no other person shall be entitled to vote at any meeting in respect of Notes held by it for the benefit of the Company. Nothing herein contained shall prevent any of the proxies named in any block

voting instruction or voting certificate from being a director, officer or representative of or otherwise connected with the Company.

14. Subject as provided in paragraph 13 above at any meeting:

(a) on a show of hands every person who is present in person and produces a 2015 Note or a 2023 Note or voting certificate or is a proxy shall have one vote; and

(b) on a poll every person who is so present shall have one vote in respect of each minimum integral amount of 2015 Notes or 2023 Notes.

15. The proxies named in any block voting instruction need not be Noteholders.

16. Each block voting instruction together (if so requested by the Company) with proof satisfactory to such Company of its due execution on behalf of the relevant Paying Agent shall be deposited at such place as the Fiscal Agent shall approve not less than 24 hours before the time appointed for holding the meeting or adjourned meeting at which the proxies named in the block voting instruction propose to vote and in default the block voting instruction shall not be treated as valid unless the Chairman of the meeting decides otherwise before such meeting or adjourned meeting proceeds to business. A notarially certified copy of each block voting instruction shall be deposited with the Fiscal Agent before the commencement of the meeting or adjourned meeting but the Fiscal Agent shall not thereby be obligated to investigate or be concerned with the validity of or the authority of the proxies named in any such block voting instruction.

17. Any vote given in accordance with the terms of a block voting instruction shall be valid notwithstanding the previous revocation or amendment of the block voting instruction or of any of the Noteholders' instructions pursuant to which it was executed provided that no intimation in writing of such revocation or amendment shall have been received from the relevant Paying Agent by the Company at its registered office (or such other place as may have been approved by the Fiscal Agent for the purpose) by the time being 24 hours before the time appointed for holding the meeting or adjourned meeting at which the block voting instruction is to be used.

18. Without limiting the definition of Extraordinary Resolution, the following powers shall be exercisable only by Extraordinary Resolution:

(a) Power to sanction any compromise or arrangement proposed to be made between the Company and the Noteholders.

(b) Power to sanction any abrogation, modification, compromise or arrangement in respect of the rights of the Noteholders against the Company or

against any of its property whether such rights shall arise under these presents, the Notes or otherwise.

(c) Power to assent to any modification of the provisions contained in these presents or the Conditions or the Notes which shall be proposed by the Company.

(d) Power to give any authority or sanction which under the provisions of these presents or the Notes is required to be given by Extraordinary Resolution.

(e) Power to appoint any persons (whether Noteholders or not) as a committee or committees to represent the interests of the Noteholders and to confer upon such committee or committees any powers or discretions which the Noteholders could themselves exercise by Extraordinary Resolution.

(f) Power to sanction any agreement or proposal for the exchange or sale of the Notes for, or as the conversion of the Notes into, or the cancellation of the Notes in consideration of, shares, stock, notes, bonds, debentures, debenture stock and/or other obligations and/or securities of the Company or any other company formed or to be formed, or for or into or in consideration of cash, or partly for or into or in consideration of such shares, stock, notes, bonds, debentures, debenture stock and/or other obligations and/or securities as aforesaid and partly for or into or in consideration of cash.

(g) Subject to Condition 11, power to approve the substitution of any entity in place of the Company (or any previous substitute) as the principal debtor in respect of the Notes.

19. Any resolution passed at a meeting of the Noteholders duly convened and held in accordance with these presents shall be binding upon all the Noteholders whether present or not present at such meeting and whether or not voting and each of them shall be bound to give effect thereto accordingly and the passing of any such resolution shall be conclusive evidence that the circumstances justify the passing thereof. Notice of the result of the voting on any resolution duly considered by the Noteholders shall be published in accordance with Condition 13 within 14 days of such result being known provided that the non publication of such notice shall not invalidate such resolution.

20. Minutes of all resolutions and proceedings at every such meeting as aforesaid shall be made and duly entered in books to be from time to time provided for that purpose by the Company and any such minutes as aforesaid if purporting to be signed by the Chairman of the meeting at which such resolutions were passed or proceedings had shall be conclusive evidence of the matters therein contained and until the contrary is proved every such meeting in respect of the proceedings of which minutes have been made shall be deemed to have been duly held and convened and all resolutions passed or proceedings had thereat to have been duly passed or had.

SIGNATORIES

The Company

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1908 Colonel Sam Drive
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Canada

Telephone: (905) 644-7319
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Attention: Chief Executive Officer, Chief Financial Officer and Principal Accounting Officer

By:

The Guarantor

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United States

Telephone: 313-665-6288
Facsimile: 313-665-6351
Attention: Vice President, Global Borrowings

By:

The Fiscal Agent

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Facsimile: +352 47 3136
Attention: Coupon Paying Department

By:

The Paying Agent

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Telephone: +352 4242 8068
Facsimile: +352 4242 2887
Attention: Documentation, Fiscal and Listing Agencies

By: