

June 19, 2009

Honorable Robert E Gerber
United States Bankruptcy Court
Southern District of New York
One Bowling Green
New York, New York 10004-1408

Re: General Motors Bankruptcy Reorganization

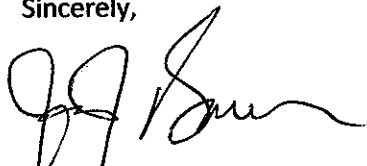
Honorable Robert E Gerber:

I write this letter as a \$75,000 GM Individual Bondholder. I am 62 years old, and have been relying on interest from my GM Bonds to help support my family's retirement, including my health care costs. **I want you to know that I am outraged at the Governments proposed reorganization of GM, both as a taxpayer and bondholder.** The Governments proposal/endorsement to provide the GM UAW health care trust fund with such a generous equity stake as compared with the equity proposed for the Bondholders contradicts the basic principles of Bankruptcy law and common sense fairness. **I plead with you to intervene in this matter, apply a more equitable distribution of the assets, and not be pressured by the Government and outside forces to hastily resolve the matter under the guise of "national interest".**

As a creditor or lender, **I should expect a certain amount of protection under Bankruptcy law.** The perpetrators of a company's demise, whether it's the Management or the Unions that negotiate wages and benefits that are beyond reasonable market conditions, should not have the protection of the Government when the business fails. Yet that is what the Government is doing. The Government has no problem keeping many of the "Cadillac" provisions of the Wages and Benefits for the Hourly workers in the Bankruptcy proceedings, despite the fact that it was those wages and benefits that contributed to the collapse of GM, and the American Auto industry. I would encourage you to review thoroughly those benefits (wages, health care premiums, deductibles, coverage's etc.) that are inherent in the Union Trust fund settlement and compare it to what ordinary Americans receive. No national interests are at risk if GM retired employees get reduced pensions or have to pay more premiums, higher deductibles, or have less coverage's for their health care. As it stands now, my pension is reduced, and my health care costs are less affordable. Why don't the Bankruptcy laws protect my interests?

Your decisions herein will establish precedents in future bankruptcy proceedings. If it is demonstrated that Company and Union bad business practices can trump lenders and creditors in a bankruptcy case, lenders will be reluctant to loan money to that business, or will do so at high interest rates. The result is the cost of credit is sure to rise, contributing to rampant inflation, and an economy that will be mired in the troughs of prolonged recessions and stagnation.

Sincerely,



John J Bauer
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