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HEARING DATE: August 6, 2010
TIME: 9:45 AM

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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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IN RE: Chapter 11

MOTORS LIQUIDATION COMPANY, *et al.*,
f/k/a General Motors Corp., et al., Case No. 09-50026 (REG)

Debtors. (Jointly Administered)
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STIPULATION AND AGREED ORDER

It is hereby stipulated and agreed by Motors Liquidation Company (f/k/a General Motors Corporation) (“MLC”) and its affiliated debtors, as debtors in possession (“Debtors”), by their attorneys, Weil, Gotshal & Manges LLP, and the United States of America (the “Government”), by its attorney, Preet Bharara, United States Attorney for the Southern District of New York, as follows:

WHEREAS, on June 1, 2009 (the “Petition Date”), and October 9, 2009, Debtors filed voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code;

WHEREAS, on or about November 20, 2009, the IRS filed a Proof of Claim against debtor MLCS Distribution Corporation in the amount of \$486,623,868.38, reflecting an unsecured priority claim in the amount of \$11,403,886.17 and an unsecured general claim in the amount of \$475,219,982.21 (“Proof of Claim No. 31234”); and

WHEREAS, on or about March 22, 2010, the IRS filed an amended Proof of Claim against debtor MLCS Distribution Corporation reflecting a secured claim in the amount of \$5,232,073.31 (“Proof of Claim No. 70165”), which amended Proof of Claim superseded Proof of Claim No. 31234;

WHEREAS, on or about November 20, 2009, the IRS filed a Proof of Claim against debtor MLCS, LLC, F/D/B/A Saturn, LLC (“MLCS, LLC) in the amount of \$486,628,250.38, reflecting an unsecured priority claim in the amount of \$11,408,268.17 and an unsecured general claim in the amount of \$475,219,982.21 (“Proof of Claim No. 31235”);

WHEREAS, on or about March 22, 2010, the IRS filed an amended Proof of Claim against debtor MLCS, LLC reflecting a secured claim in the amount of \$5,232,155.31 (“Proof of Claim No. 70162”), which amended Proof of Claim superseded Proof of Claim No. 31235;

WHEREAS, on or about November 20, 2009, the IRS filed a Proof of Claim against debtor MLC in the amount of \$487,538,458.83, reflecting a secured claim of \$30,666,460.47, an unsecured priority claim in the amount of \$11,613,886.17 and an

unsecured general claim in the amount of \$445,258,112.19 (“Proof of Claim No. 31236”);

WHEREAS, on or about March 22, 2010, the IRS filed an amended Proof of Claim against debtor MLC reflecting a secured claim in the amount of \$6,136,663.76 (“Proof of Claim No. 70167”), which amended Proof of Claim superseded Proof of Claim No. 31236;

WHEREAS, on or about January 26, 2010, the IRS filed a Proof of Claim against debtor Remediation and Liability Management Company, Inc. (“REALM”) in the amount of \$496,814,890.89, reflecting an unsecured priority claim in the amount of \$11,462,133.48 and an unsecured general claim in the amount of \$485,352,757.41 (“Proof of Claim No. 69877”);

WHEREAS, on or about March 22, 2010, the IRS filed an amended Proof of Claim against debtor REALM, reflecting a secured claim in the amount of \$5,232,073.31 (“Proof of Claim No. 70164”), which amended Proof of Claim superseded Proof of Claim No. 69877;

WHEREAS, on or about January 26, 2010, the IRS filed a Proof of Claim against debtor Environmental Corporate Remediation Company, Inc. (“ENCORE”) in the amount of \$496,814,890.89, reflecting an unsecured priority claim in the amount of \$11,462,133.48 and an unsecured general claim in the amount of \$485,352,757.41 (“Proof of Claim No. 69878”);

WHEREAS, on or about March 22, 2010, the IRS filed an amended Proof of Claim against debtor ENCORE reflecting a secured claim in the amount of

\$5,232,073.31 (“Proof of Claim No. 70163”), which amended Proof of Claim superseded Proof of Claim No. 69878;

WHEREAS, on May 6, 2010, Debtors filed their Fifteenth Omnibus Objection to Claims (Amended and Superseded Claims) (Docket # 5731) (the “Fifteenth Omnibus Objection”), in which they seek, *inter alia*, an Order disallowing and expunging Proof of Claim Nos. 31234, 31235, 31236, 69877, and 69878, on the ground that these IRS claims have been amended and superseded by IRS Proof of Claim Nos. 70165, 70162, 70167, 70164, and 70163, respectively; and

IT IS HEREBY STIPULATED AND AGREED between Debtors and the Government, by their respective counsel, as follows:

1. Debtors hereby withdraw their objections in the Fifteenth Omnibus Objection to Proof of Claim Nos. 31234, 31235, 31236, 69877, and 69878.
2. The IRS hereby withdraws Proof of Claim Nos. 31234, 31235, 31236, 69877, and 69878 from the claims register of this proceeding.
3. Entry of this Stipulation by the Court shall have no effect on the IRS Proofs of Claim that are the subject of Debtors’ Seventeenth Omnibus Objection to Claims (Tax Claims Assumed by General Motors, LLC) (Docket # 5908) (the “Seventeenth Omnibus Objection”). Debtors and the IRS reserve all of their respective rights with respect to the IRS Proofs of Claim that are the subject of Debtors’ Seventeenth Omnibus Objection.

4. This Stipulation is subject to approval by the Court. In the event the Court declines to approve this Stipulation, it shall be null and void, with no effect.

Stipulated and Agreed:

WEIL, GOTSHAL & MANGES LLP

PREET BHARARA

United States Attorney for the
Southern District of New York

By: /s/ Joseph H. Smolinsky

By: /s/ Joseph N. Cordaro

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*Attorneys for Debtors
and Debtors in Possession*

*Attorney for the United States
of America*

SO ORDERED THIS 9th DAY OF August, 2010.

s/ Robert E. Gerber

HON. ROBERT E. GERBER
United States Bankruptcy Judge